

Matrimony.com Limited

Our Company was incorporated as “Matrimony Services.com Private Limited”, a private limited company under the Companies Act, 1956 on July 13, 2001, at Chennai, Tamil Nadu. The name of our Company was subsequently changed to “Bharatmatrimony.com Private Limited” pursuant to a resolution passed by the shareholders of our Company on December 5, 2003. A fresh certificate of incorporation consequent to change of name was issued by the RoC on December 15, 2003. The name of our Company was further changed to “Consim Info Private Limited” pursuant to a special resolution of the shareholders of our Company dated August 30, 2007 and a fresh certificate of incorporation was issued by the RoC on September 27, 2007. Subsequently, the name of our Company was changed to “Matrimony.com Private Limited” pursuant to a special resolution of the shareholders of our Company dated July 27, 2012 and a fresh certificate of incorporation was issued by the RoC on August 17, 2012. Subsequently, upon conversion to a public limited company pursuant to a special resolution of the shareholders of our Company dated December 2, 2014 the name of our Company was changed to Matrimony.com Limited and a fresh certificate of incorporation was issued by the RoC on January 2, 2015.

Registered Office and Corporate Office: TVH Belicia Towers, Tower II, 10th Floor, No. 94, MRC Nagar, Mandaveli, Chennai - 600028
For information in relation to changes in our name and registered office, see “*History and Certain Corporate Matters*” on page 170.
Telephone: +91 44 2463 1500; **Facsimile:** +91 44 2463 1777;
Contact Person: S.Vijayanand, Company Secretary and Compliance Officer; **Telephone:** +91 44 2463 1613; **Facsimile:** +91 44 2463 1777;
E-mail: compliance@matrimony.com; **Website:** www.matrimony.com **CIN:** U63090TN2001PLC047432

PROMOTER OF OUR COMPANY: MURUGAVEL JANAKIRAMAN			
INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5.00 EACH (“EQUITY SHARES”) OF MATRIMONY.COM LIMITED (OUR “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE, AGGREGATING UP TO ₹ [●] MILLION (THE “OFFER”) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 3,500 MILLION (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 1,660,603 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (COMPRISING OFFER FOR SALE OF UP TO 1,461,006 EQUITY SHARES BY BESSEMER INDIA CAPITAL HOLDINGS II LTD. AGGREGATING UP TO ₹ [●] MILLION, OFFER FOR SALE OF UP TO 93,394 EQUITY SHARES BY DRAPER INVESTMENT COMPANY LLC AGGREGATING UP TO ₹ [●] MILLION, OFFER FOR SALE OF UP TO 23,369 EQUITY SHARES BY THE HARTENBAUM REVOCABLE TRUST U/A/D 02/03/06 AGGREGATING UP TO ₹ [●] MILLION AND OFFER FOR SALE OF UP TO 82,834 EQUITY SHARES BY INDRANI JANAKIRAMAN AGGREGATING UP TO ₹ [●] MILLION (COLLECTIVELY, THE “SELLING SHAREHOLDERS”) (THE “OFFER FOR SALE”). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 2.50 MILLION FOR ELIGIBLE EMPLOYEES (DEFINED HEREINAFTER) (THE “EMPLOYEE RESERVATION PORTION”). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] AND [●] % OF THE FULLY DILUTED POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.			
THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5.00 EACH THE PRICE BAND WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS AND MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE SELLING SHAREHOLDERS AND THE BRLMS AND ADVERTISED IN [●] EDITIONS OF [●] AND [●] EDITIONS OF [●] AND [●] EDITIONS OF [●], (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND TAMIL NEWSPAPERS RESPECTIVELY, TAMIL BEING THE REGIONAL LANGUAGE OF TAMIL NADU, WHERE OUR REGISTERED OFFICE IS SITUATED), AT LEAST FIVE WORKING DAYS PRIOR TO THE BID OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (“BSE”) FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE. In case of any revision in the Price Band, the Bidding Period shall be extended for at least three Working Days after such revision of the Price Band, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the BSE, by issuing a press release and also by indicating the change on the website of the BRLMs, at the terminals of the Syndicate Members and by intimation to Self Certified Syndicate Banks (“SCSBs”) and Registered Brokers. This Offer is being made pursuant to Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) for up to [●] Equity Shares aggregating up to ₹ [●] million. The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”), wherein at least 75% of the Net Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers (“QIBs”), provided that our Company in consultation with the Selling Shareholders and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion (defined hereinafter). The number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Net Offer cannot be Allotted to QIBs, all the application monies will be refunded forthwith. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received from them at or above the Offer Price and such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be Allotted to all Retail Individual Bidders on a proportionate basis. All potential investors, other than Anchor Investors, can participate through the Applications Supported by Blocked Amount (“ASBA”) process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks (“SCSBs”). However, QIBs (excluding Anchor Investors) and Non-Institutional Bidders are mandatorily required to submit their Bids by way of ASBA only. For details, see “<i>Offer Procedure</i>” at page 393.			
RISKS IN RELATION TO THE FIRST OFFER			
This being the first public issue of the Issuer, there is no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 5.00 each and the Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Offer Price as determined and justified by our Company in consultation with the Selling Shareholders and the BRLMs in accordance with the SEBI Regulations and as stated in “<i>Basis for Offer Price</i>” at page 118 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.			
GENERAL RISKS			
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “<i>Risk Factors</i>” at page 15.			
ISSUER'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY			
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this 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. Each Selling Shareholder, severally and not jointly, accepts responsibility for statements expressly made by such Selling Shareholder in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being sold by it in the Offer and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholders do not assume any responsibility for any other statement in this Draft Red Herring Prospectus, including without limitation any statements made by or in relation to our Company or other Selling Shareholders.			
LISTING			
The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE. Our Company has received in-principle approval from the BSE for listing of the Equity Shares pursuant to its letter dated [●]. For the purposes of this Offer, the [●] shall be the Designated Stock Exchange.			
BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
 Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, C-27 G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India Telephone: +91 22 4336 0000 Facsimile: +91 22 6713 2447 Email ID: matrimony ipo@kotak.com Website: www.investmentbank.kotak.com Investor Grievance ID: kmccredressal@kotak.com Contact Person : Ganesh Rane SEBI Registration No.: INM000008704	 Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Center G-Block, Bandra-Kurla Complex, Bandra (East) Mumbai – 400 051, Maharashtra, India Telephone: +91 22 6175 9999 Facsimile: +91 22 6175 9898 Email ID: matrimony.ipo@citi.com Website: http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Investor Grievance ID: investors.cgmb@citi.com Contact Person : Keshav Tyagi SEBI Registration No.: INM000010718	 Deutsche Equities India Private Limited The Capital, 14th Floor, C-70, G-Block, Bandra Kurla Complex, Mumbai 400 051, Maharashtra, India Telephone: +91 22 7180 4444 Facsimile: +91 22 7180 4199 Email ID: matrimony.ipo@db.com Website: www.db.com/india Investor Grievance ID: db.redressal@db.com Contact Person : Viren Jairath SEBI Registration No.: INM000010833	 Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Telephone: +91 40 6716 2222 Facsimile: +91 40 2343 1551 Toll free no: 1800 3454 001 Email ID: einward.ris@karvy.com Website: www.karisma.karvy.com Investor Grievance ID: matrimony.ipo@karvy.com Contact Person : M. Murali Krishna SEBI Registration No.: INR000000221
BID PROGRAMME*			
FOR ALL BIDDERS:		OFFER OPENS ON [●]	
FOR QIBs**:		OFFER CLOSES ON [●]	
FOR RETAIL AND NON-INSTITUTIONAL BIDDERS:		OFFER CLOSES ON [●]	

* Our Company in consultation with the Selling Shareholders and the BRLMs may consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid Opening Date.

** Our Company in consultation with the Selling Shareholders and the BRLMs may decide to close the Bidding Period for QIBs one Working Day prior to the Bid Closing Date, in accordance with SEBI Regulations.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the meanings set forth below in this Draft Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, re-enactments and modifications notified thereto. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the definitions given below shall prevail.

Unless the context otherwise indicates or implies, all references to “we”, “our” or “us” are to our Company, together with its Subsidiaries.

Company and Selling Shareholder Related Terms

Term	Description
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Clause 49 of the Listing Agreement and the Companies Act, 2013.
“Board” or “Board of Directors” or “our Board”	The board of directors of our Company, as duly constituted from time to time including any duly constituted committees thereof.
CCPS	Compulsorily convertible preference shares of our Company of face value of ₹ 5.00 each.
Director(s)	The director(s) on our Board.
Equity Listing Agreement	Equity listing agreement to be entered into by our Company with the Stock Exchange for listing of the Equity Shares.
Equity Shares	Equity shares of our Company of face value of ₹ 5.00 each.
ESOP Scheme	The employee stock option scheme established by our Company with effect from October 13, 2010.
Financial Statements	The Restated Consolidated Summary Statements and the Restated Unconsolidated Summary Statements
Group Entities	Such companies as provided in Schedule VIII of the SEBI Regulations and as described and identified in the section titled “Our Promoter, Promoter Group and Group Entities” on page 198.
Investor CCPS	The CCPS which are outstanding as on the date of this Draft Red Herring Prospectus.
Investor Selling Shareholders	Bessemer India Capital Holdings II Ltd., Draper Investment Company LLC and The Hartenbaum Revocable Trust U/A/D 02/03/06
Key Managerial Personnel	The key managerial personnel listed in the section titled “Our Management” at page 182.
“Memorandum” or “Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as our Company’s nomination and remuneration committee in accordance with Clause 49 of the Listing Agreement and the Companies Act, 2013.
“Our Company” or “the Company” or “the Issuer” or “Standalone Company”	Matrimony.com Limited, a public limited company incorporated under the Companies Act, 1956.
Preference Shares	The preference shares of our Company of face value ₹ 5.00 each.
Promoter	The promoter of our Company, Murugavel Janakiraman.
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI Regulations and as set out in the section titled “Our Promoter, Promoter Group and Group Entities” at page 198.
Registered and Corporate Office	The registered office of our Company, located at TVH Beliciaa Towers, Tower II, 10 th Floor, No. 94, MRC Nagar, Mandaveli, Chennai 600 028.
Restated Consolidated Summary Statements	Restated consolidated statement of assets and liabilities of our Company and subsidiaries as at March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, and the restated consolidated statement of profit and loss and

Term	Description
	the restated consolidated statement of cash flows of our Company and subsidiaries for each of the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011.
Restated Unconsolidated Summary Statements	Restated unconsolidated statement of assets and liabilities of our Company as at March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, and the restated unconsolidated statement of profit and loss and the restated unconsolidated statement of cash flows of our Company, for each of the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011.
Risk and Governance Committee	The committee of the Board of Directors constituted as our Company's risk and governance committee in accordance with the Companies Act, 2013.
Selling Shareholders	Bessemmer India Capital Holdings II Ltd., Draper Investment Company LLC, The Hartenbaum Revocable Trust U/A/D 02/03/06 and Indrani Janakiraman.
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's stakeholders' relationship committee in accordance with the Companies Act, 2013
Statutory Auditors	The statutory auditors of our Company, being S. R. Batliboi & Associates LLP.
Subsidiaries	Subsidiaries of our Company as set out in the section titled " <i>History and Certain Corporate Matters – Subsidiaries of our Company</i> " on page 177.

Offer Related Terms

Term	Description
"Allot" or "Allotment" or "Allotted"	The allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders.
Allotment Advice	The note, advice or intimation of Allotment of the Equity Shares sent to the successful Bidders who have been or who are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange, in accordance with the Book Building Process.
Allottee	A successful Bidder to whom Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least ₹ 100.00 million, in accordance with the requirements specified in the SEBI Regulations .
Anchor Investor Allocation Notice	The note or advice or intimation of allocation of the Equity Shares sent to the Anchor Investors who have been allocated Equity Shares after discovery of the Anchor Investor Allocation Price, including any revisions thereof.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company in consultation with the Selling Shareholders and the BRLMs on the Anchor Investor Bidding Date.
Anchor Investor Bidding Date	The day, one Working Day prior to the Bid Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which Allotment will be made to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which shall be higher than or equal to the Offer Price, but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the Selling Shareholders and the BRLMs.
Anchor Investor Pay-in Date	In case of the Anchor Investor Offer Price being higher than the Anchor Investor Allocation Price, the date as mentioned in the Anchor Investor Allocation Notice but not later than two Working Days after the Bid Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the Selling Shareholders and the BRLMs, to Anchor Investors on a discretionary basis out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price, in accordance with the SEBI Regulations.
"ASBA" or "Application Supported by Blocked Amount"	The application (whether physical or electronic) used by an ASBA Bidder to make a Bid authorizing the SCSB to block the Bid Amount in the in the relevant ASBA Account. ASBA is mandatory for QIBs (except Anchor Investors) and Non-Institutional Bidders participating in the Offer. Anchor Investors are not permitted to participate through the ASBA process.
ASBA Account	Account maintained with an SCSB and specified in the Bid-cum-Application Form,

Term	Description
	which will be blocked by such SCSB to the extent of the Bid Amount of an ASBA Bidder as per the Bid cum Application Form submitted by the ASBA Bidder.
ASBA Bidder	Any Bidder, other than Anchor Investors, in this Offer who Bids through ASBA process in accordance with the terms of the Red Herring Prospectus and the Bid-cum-Application Form.
“Banker(s) to an issue”/“BTI(s)”	The banks which are clearing members and registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders, as described in “Offer Procedure – Basis of Allotment” at page 438.
Bid(s)	An indication by a Bidder to make an offer during the Anchor Investor Bidding Date or Bidding Period, pursuant to submission of the Bid cum Application Form to subscribe for or purchase Equity Shares, at a price within the Price Band, including all revisions and modifications thereto, in terms of the Red Herring Prospectus and the Bid cum Application Form.
Bidder	A 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 Anchor Investor.
Bidding	The process of making a Bid.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut-Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form
Bid cum Application Form	The form, in terms of which a Bidder (including ASBA Bidder) makes a Bid in terms of the Red Herring Prospectus which will be considered as an application for Allotment.
Bid Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate, the Registered Brokers and the Designated Branches of SCSBs will not accept any Bids, and which shall be notified in [●], an English national daily newspaper, [●], a Hindi national daily newspaper and [●] a Tamil newspaper, each with wide circulation (Tamil being the regional language of Tamil Nadu, the place where the Registered Office of our Company is situated), and in case of any revision, the extended Bid Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI Regulations. Further, our Company, in consultation with the Selling Shareholders and the BRLMs, may decide to close the Bidding Period for QIBs one day prior to the Bid Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid Opening Date was published, in accordance with SEBI Regulations.
Bid Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate, the Registered Brokers and the Designated Branches of SCSBs shall start accepting Bids, and which shall be the date notified in an [●], an English national daily newspaper, [●], a Hindi national daily newspaper and [●] a Tamil newspaper, each with wide circulation (Tamil being the regional language of Tamil Nadu, the place where the Registered Office of our Company is situated), and in case of any revision, the extended Bid Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI Regulations.
Bidding Period	Except in relation to Anchor Investors, the period between the Bid Opening Date and the Bid Closing Date inclusive of both days during which Bidders (including ASBA Bidders), other than Anchor Investors, can submit their Bids, including any revisions thereof. Provided however that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company in consultation with the Selling Shareholders and the BRLMs may decide to close the Bidding Period by QIBs one day prior to the Bid Closing Date.
Bid Lot	[●] Equity Shares.
Book Building Process	The book building process as described in Part A of Schedule XI of the SEBI Regulations in terms of which the Offer is being made.
“Book Running Lead Managers” or “BRLMs”	Book running lead managers to this Offer, being Kotak Mahindra Capital Company Limited, Citigroup Global Markets India Private Limited and Deutsche Equities India Private Limited.
“CAN” or “Confirmation of Allocation Note”	Notice or intimation of allocation of Equity Shares to be sent to the Anchor Investors, who will be allotted Equity Shares after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band and any revisions thereof, above which the Offer Price,

Term	Description
	the Anchor Investor Allocation Price and the Anchor Investment Allotment Price will not be finalised and above which no Bids will be accepted.
Category II FPI	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations, 2014.
Category III FPI	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations.
Controlling Branches	Such branches of the SCSBs which coordinate Bids with the Registrar to the Offer, the BRLMs and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries , updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Cut-Off Price	The Offer Price determined by our Company in consultation with the Selling Shareholders and BRLMs, at which only the Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion are entitled to Bid, for Equity Shares of an aggregate amount not exceeding ₹ 200,000. No other category of Bidders is entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders, including address, name of the Bidder’s father/husband, investor status, occupation and bank account details.
Depository	A depository registered with SEBI under the Depositories Act.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
“Depository Participant” or “DP”	A depository participant registered with SEBI under the Depositories Act.
Designated Branches	Such branches of the SCSBs with which an ASBA Bidder, not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the Bid cum Application Forms, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries , updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the Escrow Accounts to the Public Offer Account or the Refund Account, as appropriate, or the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the ASBA Bidders to the Public Offer Account, as the case may be, in terms of the Red Herring Prospectus
Designated Stock Exchange	[●].
“Draft Red Herring Prospectus” or “DRHP”	This draft red herring prospectus dated August 18, 2015 filed with SEBI, prepared and issued by our Company in accordance with the SEBI Regulations and the Companies Act, 2013 and the rules thereunder which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
Eligible NRIs	NRIs from a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Offer and in relation to whom the Red Herring Prospectus constitutes an invitation to Bid on the basis of the terms thereof.
Escrow Account(s)	Accounts opened for this Offer with Escrow Collection Banks and in whose favour cheques or drafts are issued by Bidders (excluding ASBA Bidders) in respect of the Bid Amount.
Eligible Employee	A permanent and full-time employee working in India or abroad of (i) our Company or our Subsidiaries, or a Director of our Company, whether whole-time or part-time, as on the date of this Draft Red Herring Prospectus, who is based, working and present in India as on the date of submission of the Bid cum Application Form and who continues to be in such employment until submission of the Bid cum Application Form, but excludes our Promoter and Promoter Group and such other persons not eligible under applicable laws, rules, regulations and guidelines. The maximum Bid amount under the Employee Reservation Portion by an Eligible Employee cannot exceed ₹ 200,000.
Employee Reservation Portion	[●] Equity Shares aggregating up to ₹ 2.50 million, available for allocation to Eligible Employees on a proportionate basis.
Escrow Agreement	The agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the Escrow Collection Banks, the Refund Bank(s), the BRLMs and the Syndicate Members for the collection of Bid Amounts and for remitting refunds, if any, to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof.

Term	Description
Escrow Collection Banks	BTI(s) with whom Escrow Account(s) will be opened, in this case being [●].
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revisions thereof, not being less than the face value of Equity Shares and at or above which the Offer Price will be finalized and below which no Bids will be accepted, in this case being ₹ [●].
Fresh Issue	The issue of up to [●] Equity Shares aggregating up to ₹ 3,500 million, to be issued by our Company for subscription pursuant to the terms of the Red Herring Prospectus.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the Net QIB Portion, available for allocation to Mutual Funds only out of the Net QIB Portion on a proportionate basis.
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	The Offer Proceeds less the amount to be raised with respect to the Offer for Sale and less our Company's share of the Offer expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares allocated to the Anchor Investors.
Non-Institutional Bidders/NIIIs	All Bidders (including Sub-Accounts which are foreign corporate or foreign individuals) who are not Qualified Institutional Buyers or Retail Individual Bidders and who have Bid for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer consisting of [●] Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Offer	Initial public offering of up to [●] Equity Shares aggregating up to ₹ [●] million consisting of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,500 million by our Company and an Offer for Sale of up to 1,660,603 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders.
Offer Agreement	The offer agreement entered into on August 18, 2015 among our Company, the Selling Shareholders and the BRLMs.
Offer for Sale	The offer for sale of up to 1,660,603 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders.
Offer Price	The price at which Allotment will be made to the Bidders as determined by our Company in consultation with the Selling Shareholders and the BRLMs in accordance with the Book Building Process and the Red Herring Prospectus. Provided that for the purpose of Anchor Investors, the Offer Price shall be the Anchor Investor Offer Price. Unless otherwise stated or the context otherwise implies, the term Offer Price refers to the Offer Price applicable to investors other than Anchor Investors.
Offer Proceeds	The proceeds of this Offer based on the total number of Equity Shares Allotted or transferred under this Offer and the Offer Price.
Price Band	Any price between the Floor Price and Cap Price inclusive of the Floor Price and Cap Price and any revisions thereof decided by our Company and the Selling Shareholders in consultation with the BRLMs, together with the minimum Bid Lot for the Offer and advertised in [●], an English national daily newspaper, [●], a Hindi national daily newspaper and [●] a Tamil newspaper, each with wide circulation (Tamil being the regional language of Tamil Nadu, the place where the Registered Office of our Company is situated), at least five Working Days prior to the Bid Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its website.
Pricing Date	The date on which the Offer Price is decided by our Company in consultation with the Selling Shareholders and BRLMs.
Prospectus	The prospectus to be filed with the RoC for this Offer after the Pricing Date, including any addenda or corrigenda thereto, in accordance with Section 26 of the Companies Act, 2013 and the SEBI Regulations containing, <i>inter-alia</i> , the Offer Price, size of the Offer and certain other information.
Public Offer Account	A bank account opened with a BTI under section 40 of the Companies Act, 2013 to receive money from the Escrow Accounts on the Designated Date and into which the funds shall be transferred by the SCSBs from the ASBA Accounts .
“QFIs” or “Qualified Foreign	A qualified foreign investor as defined in the SEBI FPI Regulations.

Term	Description
Investor”	
“QIBs” or “Qualified Institutional Buyers”	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI Regulations.
QIB Bid Closing Date	In the event our Company, in consultation with the Selling Shareholders and the BRLMs, decides to close the Bidding Period for QIBs one day prior to the Bid Closing Date, the date one day prior to the Bid Closing Date; otherwise it shall be the same as the Bid Closing Date.
QIB Portion	The portion of the Offer being at least 75% of the Net Offer which shall be Allotted to QIBs (including Anchor Investors).
“Red Herring Prospectus” or “RHP”	The red herring prospectus to be issued by our Company including any addenda or corrigenda thereto, in accordance with Section 32 of the Companies Act, 2013 and 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.
Registered Broker Centre	A broker centre of the stock exchange with broker terminals, wherein a Registered Broker may accept Bid cum Application Forms, details of which are available on the website of the Stock Exchanges, and at such other websites as may be prescribed by SEBI from time to time.
Registered Broker	A broker registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers Regulations), 1992, having terminals in any of the Registered Broker Centres, and eligible to procure Bids in terms of the circular no. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI .
Registered Foreign Portfolio Investor or RFPI	Foreign portfolio investor registered under the SEBI FPI Regulations.
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds of the whole or part of the Bid Amounts (excluding for the ASBA Bidders), if any, shall be made.
Refund Banker(s)	The Banker(s) to the Offer, with whom the Refund Account(s) will be opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through NECS, NEFT, direct credit or RTGS, as applicable.
“Registrar” or “Registrar to the Offer”	Karvy Computershare Private Limited, the registrar to the Offer.
Retail Individual Bidders	Bidders (including HUFs applying through their Karta and Eligible NRIs), who have Bid for Equity Shares for an amount less than or equal to ₹ 200,000 in any of the bidding options in the Offer.
Retail Portion	The portion of the Offer being not more than 10% of the Net Offer, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI Regulations.
Revision Form	The form used by the Bidders (other than QIBs and Non-Institutional Investor), to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous revision form(s), as applicable.
“Self Certified Syndicate Banks” or “SCSBs”	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI Regulations and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Specified Locations	Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time.
Stock Exchange(s)	For the purpose of the Book Building Process, the BSE and the NSE. For all other purposes, the BSE.
Sub Syndicate	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect Bid cum Application Forms and Revision Forms.
Syndicate Agreement	The agreement to be entered into amongst the Syndicate, our Company and the Selling Shareholders in relation to collection of Bids in this Offer (excluding Bids from ASBA Bidders procured directly by SCSBs and Bids procured by Registered Brokers).
Syndicate Bidding Centres	Syndicate and Sub Syndicate centres established for acceptance of the Bid cum

Term	Description
	Application Forms and Revision Forms.
Syndicate Members	Intermediaries registered with the SEBI who are permitted to carry out activities as underwriters, in this case being [●].
Syndicate /members of the Syndicate	The BRLMs and the Syndicate Members.
“Transaction Registration Slip” or “TRS”	The slip or document issued by a Syndicate/Sub Syndicate, Registered Broker or an SCSB (only on demand), as the case may be, to the Bidder as proof of uploading of a Bid.
Underwriters	[●].
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company and the Selling Shareholders on or immediately after the Pricing Date but before filing of the Prospectus.
Working Days	All days, other than a Sunday or a public holiday on which commercial banks are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bidding Period, “Working Days” shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India. For the purpose of the time period between the Bid Closing Date and listing of the Equity Shares on the Stock Exchange, “Working Days” shall mean all days excluding Sundays and bank holidays, in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010.

Conventional/General Terms and Abbreviations

Abbreviation	Full Form
AIFs	Alternative investment funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AGM	Annual general meeting
AS	Accounting standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment year
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
Citi	Citigroup Global Markets India Private Limited
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act, 2013	Companies Act, 2013, to the extent notified
Consumer Protection Act	Consumer Protection Act, 1986
Deutsche	Deutsche Equities India Private Limited
DIN	Director identification number
DP	Depository participant, as defined under the Depositories Act, 1996
DP ID	Depository participant's identification
EBIDTA	Earnings before interest, tax, depreciation and amortization
ECS	Electronic clearing system
EGM	Extraordinary general meeting
EPS	Earnings per share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign direct investment, as laid down in the Consolidated FDI Policy dated May 12, 2015
FEMA	Foreign Exchange Management Act, 1999, as amended, together with rules and regulations framed thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII	Foreign Institutional Investors as defined under the SEBI FPI Regulations and who are deemed to be Foreign Portfolio Investors under the SEBI FPI Regulations
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FIPB	Foreign Investment Promotion Board
“fiscal” or “Financial Year” or “FY”	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FVCI	Foreign venture capital investors (as defined under the FVCI Regulations) registered

Abbreviation	Full Form
	with SEBI
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
GAAP	Generally accepted accounting principles
GBP	Great Britain Pound
GDP	Gross domestic product
GIR Number	General Index Register Number
“GoI” or “Government of India” or “Central Government”	The Government of India
GST	Goods and services tax
HUF	Hindu undivided family
IFRS	International Financial Reporting Standards
Indian GAAP	Generally accepted accounting principles in India
IPO	Initial public offer
IT	Information Technology
Income Tax Act	Income Tax Act, 1961
Income Tax Department	Income Tax Department, GoI
Kotak	Kotak Mahindra Capital Company Limited
MAT	Minimum alternate tax
MCA	Ministry of Corporate Affairs, GoI
MICR	Magnetic Ink Character Recognition
NAV	Net Asset Value
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
NIF	National Investment Fund set up by resolution No. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India
NRE	Non-Resident Entity
NRE Account	Non-Resident External Account, established and operated in accordance with FEMA.
NRI	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non-Resident Ordinary Account, established and operated in accordance with FEMA.
“NR” or “Non Resident”	A person resident outside India, as defined under FEMA, including an NRI, an FII, an FPI and a FVCI
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCBs	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA
ODI	Offshore Derivative Instruments
p.a.	Per annum
PAN	Permanent account number allotted under the Income Tax Act
PAT	Profit after tax
PBT	Profit before tax
P/E Ratio	Price/earnings ratio
PLR	Prime lending rate
RBI	Reserve Bank of India
“RoC” or “Registrar of Companies”	Registrar of Companies, Tamil Nadu
“₹” or “Rupees” or “Rs.”	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India established under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,

Abbreviation	Full Form
	2014
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Securities Act	U.S. Securities Act of 1933, as amended
State government	The government of a state of Republic of India
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, as repealed, and who can continue to buy, sell or otherwise deal in securities under the SEBI FPI Regulations
Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayer identification number
“U.S.” or “US” or “U.S.A” or “United States”	The United States of America, together with its territories and possessions.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture Capital Funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.

Industry/Project Related Terms, Definitions and Abbreviations

Abbreviation	Full Form
ATV	Average Transactional Value, being the total revenue earned (net of service tax) from matchmaking services for the period divided by the total number of paid subscriptions for the period
BM LLC	Bharat Matrimony LLC
CCI	Competition Commission of India
CDI	Consim Direct Inc. Nevis
CMDA	Chennai Metropolitan Development Authority
CGU	Cash-generating units
CIA Factbook	United States Central Intelligence Agency “World Factbook”
Competition Act	Competition Act, 2002, as amended
comScore Report	Traffic share distribution from July 2013 to May 2015 for Matrimony.com, Jeevansathi and Shaadi compiled by comScore, Technologies India Private Limited.
Consim Cyprus	Consim Direct Holdings Cyprus Limited
Consim USA	Consim Info USA Inc.
CPC	Civil Procedure Code, 1908
CSR	Corporate Social Responsibility
EBITDA	Earnings before interest, tax, depreciation and amortization
FEMA ODI Regulations	Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended
Google	Google India Private Limited
IPOPL	India Property Online Private Limited
Key Business Metrics Report	Key business metrics report dated August 11, 2015 prepared by R.G.N. Price & Co.
KPMG	An independent management consultant.
Marriage Services Report	Report dated November 21, 2014 entitled “Market Assessment of Marriage Services Market” prepared by KPMG, pursuant to an engagement with the Company.
Matchify	Matchify Services Private Limited
MII	Match International Inc., USA
MIMA	Matrimony.com’s Intelligent Matchmaking Algorithm
NASSCOM	National Association of Software and Services Companies
Online Matchmaking Report	Report dated November 21, 2014 entitled “Market Size Estimation of Online Matrimony Market” prepared by KPMG, pursuant to an engagement with the Company.
R&D	Research and development
TRAI	Telecom Regulatory Authority of India
UIN	Unique Identification Number

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have the same meaning as is assigned to such words and expressions under the SEBI Regulations, the Companies Act, 1956, to the extent applicable, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in the sections titled, “*Statement of Tax Benefits*”, “*Financial Statements*” “*Main Provisions of the Articles of Association*” and “*Offer Procedure-Part B-General Information*” at pages 123, 209, 449 and 410 respectively, have the meanings given to such terms in these respective sections.

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

Currency of Presentation

All references to “Rupees”, “Rs.” “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “U.S. Dollar” or “USD” or “US\$” are to United States Dollar, the official currency of the United States of America and “GBP” or “£” are to Pound Sterling, the official currency of United Kingdom.

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, have been taken as of June 30, 2015 and are as follows:

Currency	Exchange rate
USD	63.75
Dirham	17.32
GBP	100.12

Sources: www.rbi.org.in and www.bloomberg.com

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

Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Consolidated Summary Statements as of and for the fiscal years ended March 31, 2011, 2012, 2013, 2014 and 2015 and the Annexures thereto and our Restated Unconsolidated Summary Statements as of and for fiscal 2011, 2012, 2013, 2014 and 2015 and annexures thereto included elsewhere in this Draft Red Herring Prospectus, which have been prepared in accordance with the applicable provisions of the Companies Act, 1956, to the extent applicable, and the Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI Regulations.

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

All the numbers in this document have been presented in million or in whole numbers where the numbers have been too small to present in million, unless stated otherwise.

We prepare our financial statements in accordance with Indian GAAP, which differs in some respects from IFRS and U.S. GAAP. Accordingly, the degree to which Indian GAAP financial statements restated in accordance with the SEBI Regulations included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with the Companies Act, 2013, Indian GAAP and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Financial Statements to those under IFRS or U.S. GAAP and we urge you to consult your own advisors regarding such differences and their impact on our financial data. For risks in relation to this, please see the section titled *“Risk Factors – Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors’ assessments of our financial condition.”* on page 39.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or

percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Market and Industry Data

Industry and market data used throughout this Draft Red Herring Prospectus has been obtained from various industry publications such as the *Internet World Stats* statistics available at <http://www.internetworldstats.com>; traffic share distribution data from July 2013 to May 2015 for *Matrimony.com*, *Jeevansathi* and *Shaadi* compiled by *comScore Technologies India Private Limited* (the “**comScore Report**”) and the reports titled “*Market Size Estimation for Online Matrimony Market in India*” and “*Market Assessment for Marriage Services*”, each dated November 21 2014 (the “**KPMG Reports**”) that we have commissioned from KPMG, an independent management consultant.

“Information has been included in this Draft Red Herring Prospectus from the reports titled “Market Size Estimation for Online Matrimony Market in India” referred to as “Online Matchmaking Report” and “Market Assessment for Marriage Services” referred to as “Marriage Services Report” dated 21st November 2014 prepared by KPMG India, an independent management consultant, on behalf of the Company (the “KPMG Reports”). The KPMG Reports contain disclaimers and scope limitations pertaining to the work performed by it, a summary of which is given below. The KPMG Reports should be referred to for the full text of the disclaimers and scope limitations.

The information contained in the KPMG Reports is of a general nature and is not intended to address the circumstances of any particular individual or entity. No one should act on the information contained in the KPMG Reports or any part thereof, without appropriate professional advice and due consideration. The KPMG Reports are dated as of 21st November, 2014, reflect the position only as of that date, were prepared pursuant to an engagement letter between the Company and KPMG dated 22nd October, 2014 for purposes other than inclusion in the Offer Documents, and KPMG does not undertake to update the information already contained in the KPMG Reports. KPMG has subsequently consented to inclusion of extracts of the KPMG Reports prepared by it in the Offer Documents through its letter dated 11th August, 2015 on the terms set out in the addendum dated 11th August 2015 to the engagement letter. The KPMG Reports do not attest the capabilities of the Company nor do they make a recommendation to anyone for investment in the Company. KPMG has not performed an audit and does not express an opinion, or any other form of assurance. Further, comments in KPMG Reports are not intended, nor should they be interpreted to be legal advice or opinion. While information obtained from the public domain or external sources, (“Information”) has not been verified for authenticity, accuracy or completeness, KPMG has obtained Information, as far as possible, from sources generally considered to be reliable, inter alia from the Census Telecom Regulatory Authority of India (“TRAI”) and Internet And Mobile Association of India, (“IAMAI”). KPMG does not guarantee the accuracy, adequacy or completeness of Information and is not responsible for any errors or omissions in the Information or for the results obtained from the use of such Information. While performing the work, KPMG has assumed the genuineness of all signatures and the authenticity of all original documents in respect of the information received by it. It has not independently verified the correctness or authenticity of the same. The KPMG Reports may make reference to ‘KPMG Analysis’; this indicates only that it has (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; In accordance with its policy, KPMG disclaims all responsibility and liability for any costs, damages, losses, liabilities incurred by any third party including Subscribers / users / transmitters / distributors in the Offer who uses or relies upon the KPMG Reports or extracts therefrom.”

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard

data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

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. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors*" on page 15. Accordingly, investment decisions should not be based solely on such information.

Certain Conventions

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

FORWARD-LOOKING STATEMENTS

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

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

- Our ability to maintain our telecommunication and information technology systems, networks and infrastructure, and our systems and processes for protection of our databases and online content;
- Competition in the online matchmaking business in India;
- Unfavourable resolution in the Desai et al. v. Infonauts Inc. et al. litigation;
- Our ability to convert free members to paid members and to retain existing paid members on our matrimonial websites;
- Changes in technology and evolving industry standards and norms;
- Misuse of our online service platforms;
- Our ability to prevent fraudulent activities on our websites;
- Growth in internet and mobile-internet penetration in India;
- Our ability to build and maintain our brand names;
- Changes in prevailing social norms relating to marriages in India;
- Our ability to protect our intellectual property, including our trademarks and internet domains; and
- Successful implementation of new products and services.

For a further discussion of factors that could cause our actual results to differ, see the sections titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” at pages 15, 149, and 323, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements speak only as of the date of this Draft Red Herring Prospectus. None of our Company, the Selling Shareholders, our Directors, our officers, any of the BRLMs or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the BRLMs will ensure that investors in India are informed of material developments until the commencement of listing and trading of the Equity Shares on the Stock Exchange. Each of the Selling Shareholders will ensure that investors are informed of material developments in relation to statements and undertakings expressly made by such Selling Shareholder in the Draft Red Herring Prospectus until the time of grant of listing and trading permission by the Stock Exchange. Further, in accordance with Regulation 51A of the SEBI Regulations, our Company may be required to undertake an annual updation of the disclosures made in this Draft Red Herring Prospectus and make it publicly accessible in the manner specified by SEBI.

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. To obtain a complete understanding of our Company, you should read this section in conjunction with the sections titled “Our Business” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 149 and 323 as well as other information contained in this Draft Red Herring Prospectus. If any of the following risks or any of the other risks and uncertainties discussed in this Draft Red Herring Prospectus actually occurs, our business, financial condition, results of operations and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Offer. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate the ease of reading and reference, and does not in any manner indicate the importance of one risk factor over another.

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. See “Forward-Looking Statements” on page 14.

*Unless the context requires otherwise, the financial information used in this section is derived from our Restated Consolidated Summary Statements as of and for the fiscal years ended March 31, 2011, 2012, 2013, 2014 and 2015 and annexures thereto included elsewhere in this Draft Red Herring Prospectus, which have been prepared in accordance with the Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI Regulations. Data included in this section in relation to key business metrics has been reviewed and verified by R.G.N. Price & Co., a firm of Chartered Accountants, and is included in their report dated August 11, 2015 (the “**Key Business Metrics Report**”).*

Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the 12-month period ended March 31 of that year. Unless the context otherwise indicates or implies, all references to “we”, “our” and “us” in this section are to Matrimony.com Limited and its consolidated subsidiaries.

Internal Risk Factors

- 1. An unfavorable resolution of the Desai et al. v. Infonauts, Inc., et al. litigation could have a material adverse effect on our reputation, business, prospects, financial condition, results of operations and cash flows as well as the Company's capital structure, and could dilute, affect the price of and/or diminish the value of the Company's equity shares.***

On May 13, 2011, Rajan Desai and Real Soft, Inc. (the “**US Plaintiffs**”) filed a complaint in the Superior Court of New Jersey in Mercer County, New Jersey, against Consim Info USA, Inc., a subsidiary of the Company, and Infonauts, Inc., a New Jersey corporation owned by the Promoter, and others, which was subsequently amended to include the Company and the Promoter as defendants.

The US Plaintiffs allege that (i) as per the terms of a term sheet that the US Plaintiffs signed with Infonauts, Inc. they are entitled to equity in ‘Bharatmatrimony.com’, (ii) they are further entitled to specified privileges with respect to the sale of equity in ‘Bharatmatrimony.com’ and monetary payments, (iii) the Company and other parties to the action have attempted to dilute the US Plaintiffs’ purported equity interest in ‘Bharatmatrimony.com’ and to frustrate the US Plaintiffs’ attempts to enforce their legal rights with respect to such purported interest and (iv) the Company is orchestrating an initial public offering for the purpose of diluting and/or extinguishing the US Plaintiffs’ equity interest in ‘Bharatmatrimony.com’. Based on these allegations, the US Plaintiffs are seeking various remedies, including equity interest in ‘Bharatmatrimony.com’, a constructive trust on ‘Bharatmatrimony.com’ and

all associated businesses, including the Company, compensatory, incidental and punitive damages, fees and other costs.

The US Plaintiffs will be able to obtain such relief only if they are ultimately (after any appeals) successful in overcoming the Company's various defenses, including that (i) the New Jersey court does not have jurisdiction over the Company, (ii) the Company is not a party to the Term Sheet and not bound by it, (iii) there has been no breach of the Term Sheet because the Term Sheet states that the provisions the US Plaintiffs seek to enforce would be binding only in the event the parties to the Term Sheet entered into definitive agreements including a purchase of equity agreement, and no definitive agreements were ever executed, (iv) the US Plaintiffs' claims are barred by New Jersey's six-year statute of limitations and (v) the US plaintiffs have been barred from pursuing their claims against the Company by order of the Madras High Court. The litigation is currently in the pre-trial discovery stage and the court has not yet set a date for trial.

The Company has also filed a civil suit against the US Plaintiffs before the Madras High Court seeking, *inter alia*, a permanent injunction against the US Plaintiffs from continuing with the proceedings against the Company in New Jersey and from interfering in the Company's business, including its proposed initial public offering. In its order dated August 6, 2013, the Madras High Court granted the *ex parte* ad-interim injunction in favour of the Company ordering the US Plaintiffs against interfering in the Company's business, including its initial public offering based on the Term Sheet; and against continuing with legal proceedings against the Company in Superior Court of New Jersey. Further, pursuant to its order dated November 12, 2013, Madras High Court also granted injunction in favour of the Company, restraining the US Plaintiffs from continuing with the legal proceedings against the Company, its Board of Directors, individual Directors and officers before the Superior Court of New Jersey. Subsequently, the Madras High Court passed a combined order on December 10, 2013 and made the prior orders dated August 6, 2013 and November 12, 2013, absolute. For further information on the litigation, please see the section titled "*Outstanding Litigation and Material Developments*" on page 346.

If the US Plaintiffs prevail in the litigation in the courts of the United States, any award or order of such courts against the Company and/or the Promoter will be treated as a foreign decree in India and will require the US Plaintiffs to follow the procedures prescribed under the Civil Procedure Code, 1908, as amended ("**CPC**"). Since the United States is not a 'reciprocating territory', under Section 44A of the CPC, such foreign decree cannot be directly enforced. In such a case, the US Plaintiffs would need to initiate a fresh suit before a competent court in India under Section 13 of the CPC.

If the US Plaintiffs were to prevail in this litigation and also succeed in enforcing the order of the courts in United States against the Company in India, the Company could be liable for material amounts in damages, fees and costs which amounts, depending on the outcome of the litigation, the Company may not be able to satisfy with the resources which may be available to it. The US Plaintiffs may also be able to obtain a US court order attaching the Company's assets in the US. Moreover, if it is ultimately determined that the court has personal jurisdiction over the Company, or that monetary damages are inadequate to satisfy the US Plaintiffs' claims and that the US court has the authority to award equity shares in the Company notwithstanding any applicable provisions of the FEMA and the regulations promulgated thereunder, the Company could be required to award the US Plaintiffs equity shares in the Company. The amount of equity shares and the mechanism through which the equity shares will be awarded in the event the US Plaintiffs prevail in the litigation is uncertain, and could be 10% or more of the total equity in the Company.

Any such award of equity shares to the US Plaintiffs could result in dilution, affect the price of and diminish the value of the Company's equity shares. The court could also order an accounting and valuation of the US Plaintiffs' purported interest in the Company, the imposition of a constructive trust on the Company's assets or on the assets of the Company's Subsidiaries, affiliates or related businesses, or such other relief as the court deems appropriate. We are unable to predict with certainty the outcome of this litigation or the amount of time and expense that will be required to resolve the litigation. The litigation is likely to be a source of management distraction even if the Company is ultimately successful in defeating the US Plaintiffs' claims. See also the risk factor titled "*Risk Factors – The Company has incurred substantial legal expenses in recent years on account of litigation with Rajan Desai and may continue to incur such expenses in the future as well. These expenses may materially and adversely affect our business prospects, financial condition, results of operations and cash flows*" on page 30.

A judgment in the US Plaintiffs' favor and its enforcement against the Company or the Promoter in India could accordingly have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows as well as the Company's capital structure, and investors in the Company's equity shares may also suffer losses as a result of dilution of their shareholding and/or adverse impacts on the price and value of the Company's equity shares.

2. *We rely on telecommunications and information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our ability to effectively provide our products and services.*

We are primarily in the business of providing online matchmaking services through technology-driven media, and we rely on information technology and telecommunications systems and networks and related infrastructure, some of which have been customized and developed internally. As such, our business operations, the quality of our service and our ability to attract and retain customers depend on the efficient and uninterrupted operation, reliability, speed and availability of such systems, networks and infrastructure, both internal and external. Our websites, mobile sites, mobile apps and servers are vulnerable to telecommunications failures, downtime, computer viruses, hacking, defacement, physical or electronic break-ins and similar disruptions, which could lead to accessing difficulties, service interruptions, delays, loss of our database content, inability to accept and/or fulfill user requests or inaccurate data being processed or displayed. We have experienced in the past, and may in future experience, system disruptions on our websites, mobile sites or mobile apps. For example, our websites were operating below optimal level for three months in fiscal 2014 due to a change of hosting infrastructure. Further, our customer resources management team utilizes certain hardware and software that are end-of-life products. We cannot assure you that our back-up and disaster recovery measures and business continuity planning would effectively eliminate or alleviate the risks arising from the above contingencies. Any damage to or failure of our systems could lead to loss of our database content or interruptions or delays, thereby impairing our ability to effectively provide our services, which could result in customer dissatisfaction.

We may also experience interruptions caused by reasons beyond our control. Our success will depend upon third parties maintaining and improving the Internet infrastructure to provide a reliable network with speed and adequate data capacity and telecommunication networks with good clarity and lower congestion. Further, Tata Communications Limited, LVSBB, Data Center Mumbai, is the sole service provider hosting our websites and any disruptions on their end will affect our websites. In addition, we have also signed a letter of intent with Tata Communications Limited, Data Center Chennai, in relation to the hosting of our proposed centrally controlled contact center and any disruptions on their end will similarly affect user experience. For further details, see the section titled "*Objects of the Offer*" on page 108. We may also in future experience misuse by third parties who use our websites to send spam emails to our members, which may result in our members unsubscribing from our services. Spam that can be traced to our server not only exposes us to liability but also poses the threat of our legitimate emails being blocked by anti-spam monitoring agencies and/or tools.

We may not have any access to alternative telecommunication networks other than those we currently use, in the event of disruptions, failures or any other problems in the network or infrastructure of our current telecommunications service providers. In addition, we cannot assure you that a more technologically sophisticated and reliable fixed telecommunications network or Internet infrastructure will be developed in India that will ensure our ability to deliver smooth and reliable provision of our products and services to our users.

Any of the above could disrupt our ability to operate our online services or may materially affect the efficiency of the services provided by us, our reputation and financial condition.

3. *If third parties, including our current or future competitors, or our employees are able to circumvent our protection measures which are put in place for the protection of our database or systematically copy our online content or misappropriate confidential information, our business and reputation would be adversely affected.*

All our trademarks, online domains and other intellectual property rights are our material assets and are crucial to our business operations. We depend on a combination of trademark laws, domain name protection laws and confidentiality provisions and provisions that restrict the post-employment operations of our employees in their

employment agreements to protect our logo, brand name, domain names, database and customized information technology. We have applied for the registration of various trademarks India and while we have obtained registration with respect to some, registration of the others is pending as of the date of this Draft Red Herring Prospectus. For further details, see the section titled “*Government and Other Approvals—Intellectual Property Related Approvals*” on page 367.

Even with such precautions, we cannot assure you that our database or proprietary technology will not be copied or obtained by third parties. Third parties have in the past collected, and third parties may in the future collect, information from our websites, mobile sites and mobile apps and start online portals displaying the same information. Historically, we have taken legal action in this regard. We are currently involved in and have initiated legal proceedings against certain third parties for data theft from our websites, passing off and intellectual property right infringement, and may in the future need to resort to litigation or other proceedings to enforce, protect or determine the validity and scope of our intellectual property rights, including in relation to our database, and to defend against third party infringements, which may be expensive and resource-consuming and might create uncertainty as to the ownership of such rights while the case is being decided (which may take substantial amounts of time) and fail to result in a satisfactory remedy or recourse. For further details, see the section titled “*Outstanding Litigation and Material Developments—Litigation initiated by our Company—Intellectual property rights related matters*” on 357.

Our employees are required under their offer letters to keep confidential all information relating to our clients, working systems technical know-how, security arrangements and administrative or organization matters of our Company or clients during and after their employment with us. Further, our employees are required to acknowledge that all intellectual property rights such as copyrights, patents, trademarks and secrets developed by them during their employment are our property. In addition, our mid and senior level employees are also restricted, for a period of one year from the end of their employment with us, from controlling, providing consultancy to or being employed by any business similar to ours, either by soliciting any of our customers or by operating in our line of business. However, we may not have sufficient internal controls and processes to ensure that our employees comply with their obligations under their employment agreements and there can be no assurance that such provisions will adequately prevent the disclosure of confidential information, such as the information relating to our members, by an employee.

If we fail to prevent third parties or our employees from circumventing our protection measures or if we fail to successfully prosecute third parties or our employees from using or copying our website, mobile site or mobile app content or misappropriate confidential information, this could damage our reputation, cause interruptions in our operations, expose us to a risk of loss or litigation and possible liability, and could also cause customers and potential customers to lose confidence in our internal systems and processes, which would have a negative effect on the demand for our services and products.

4. We face significant competition in our online matchmaking business from Indian companies, and we may be unsuccessful in competing against current and future competitors, which could have an adverse impact on the pricing of our services as well as increase the costs associated with growing our customer base.

The matchmaking industry in India is highly competitive, and we expect that the competition in this industry will continue to increase. Our key online competitors are Shaadi.com and Jeevansathi.com, and our key offline competitors include traditional brick and mortar companies offering marriage bureau and matchmaking services as well as community associations. The content of our database is provided by our customers who are not bound by any exclusivity with us and are therefore not prohibited from providing the same content to our competitors. Further, our competitors include traditional media, such as magazines, newspapers and traditional matrimonial agencies. Other new entrants, locally and/or internationally, may enter the online matchmaking industry in India and compete against us. If we are not able to compete effectively with existing or future competitors, our business and financial condition could be adversely affected.

The management of some of our competitors may have more experience in implementing their business plan and strategy, may offer more innovative features on their websites and may be more successful in increasing the number of users on their websites or increasing the revenues generated from their Internet operations. We expect that our costs related to marketing and human resources will increase as our competitors undertake marketing campaigns to enhance their brand name and increase the volume of business conducted through their websites. We expect many of

our online competitors to expend financial and other resources to improve their network and system infrastructure, including website design, to compete more aggressively. Our online competitors may also provide online matchmaking services for free or at substantially lower cost than us or offer more innovative and cost-effective subscription packages in an effort to attract more customers and build up a substantial database of profiles of prospective brides and grooms. Our inability to adequately address these and other competitive pressures will likely have a negative impact on the level of fees we can charge for our services, as well as increase the costs associated with growing our customer base, which is likely to have a material adverse effect on our business, prospects, financial condition and results of operations.

5. *We may fail to convert free members to paid members or fail to retain our existing base of paid members.*

Users can register on our websites, mobile sites and mobile apps for free. Once members are registered with our websites, they can contact and may be contacted by other members. Members who have registered on our websites, mobile sites or mobile apps for free can send standard format “ExpressInterest” messages to other members with whom they wish to initiate contact and may also search the names of other registered members on other online or social media platforms to contact these members without paying subscription fees for our services. In addition, existing paid members may choose not to renew their subscriptions for various reasons, including the inability to find a suitable match or an unsatisfactory user experience, and existing paid members will not renew their subscriptions once they have found suitable matches.

Given that subscription revenue accounted for almost all of our revenue for matchmaking services in each of fiscal 2013, fiscal 2014 and fiscal 2015, this failure to convert free members to paid members or retain our existing base of paid members will adversely affect our business, prospects, financial condition and results of operation.

6. *Our Restated Consolidated Summary Statements reflect that we had a negative net worth of ₹9.30 million (calculated including preference share capital) as of March 31, 2015.*

As of March 31, 2015, our Restated Consolidated Summary Statements reflect that we had a negative net worth of ₹ 9.30 million (calculated including preference share capital). We have also incurred restated losses in four of the past five fiscal years. For example, we sustained restated consolidated losses of ₹ 16.71 million, ₹ 37.86 million, ₹ 91.59 million and ₹ 29.29 million in fiscal 2011, fiscal 2012, fiscal 2014 and fiscal 2015, respectively. Our losses in fiscal 2014 and fiscal 2015 have primarily resulted from the impact of exceptional expenses incurred in defending our Company, our Promoter and certain of our investors in connection with the *Desai et al. v. Infonauts, Inc., et. al* litigation, which have negatively impacted, and which may continue to negatively impact, our cashflow position. For further details, see the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 323.

Although our revenue from operations has grown, our revenue growth in the future may be lower. You should not rely on the revenue growth of any prior period as an indication of our future performance. We also expect our costs to increase in future periods as we continue to spend substantial financial resources to:

- increase awareness of our brands through advertising, marketing and brand building initiatives;
- grow the number of paid subscribers on our websites;
- develop and improve our technology infrastructure, hardware and software and replace obsolete hardware and software;
- contest the *Desai et al. v. Infonauts, Inc., et. al* litigation in New Jersey and associated proceedings in Chennai;
- create a centrally controlled customer contact center; and
- enhance our user experience, including through development and augmentation of mobile apps and websites.

These expenditures may not yield additional revenue as we anticipate or at all. If we are unable to achieve revenue growth that outpaces the growth of our expenses, we may not achieve profitability, our net worth may remain negative, our cash position may deteriorate and our results of operation could be adversely affected.

7. Our business could be adversely affected if we fail to keep pace with changing technology and evolving industry standards and norms or fail to develop and introduce new products and services in a timely manner.

The markets for our products and services are characterized by rapidly changing technology, evolving industry standards and norms, new product and service introductions and evolving website presentations and features. Our results of operations and financial condition depend on our ability to develop and introduce new products and services, as well as our ability to modify and upgrade our existing products and services. The process of developing new products and services or modifying existing products and services is complex and requires us to accurately predict and respond to customers' changing and diverse needs and emerging technological trends. The success of our new products and services will depend on several factors, including proper identification of market demands and the competitiveness of our products and services with the products and services introduced by our competitors. We cannot be sure that we will successfully identify new product and service opportunities, develop and introduce new products and services in a timely manner, price such new products and services at optimal levels, modify and upgrade existing products and services, achieve market acceptance of our products and services, or that products and services offered by our competitors will not render our products and services non-competitive. Our failure to respond successfully to any of these challenges will significantly harm our results of operations and financial condition.

8. If our service platforms are misused, it could lead to user dissatisfaction and discourage the use of our products and services and have a material adverse effect on our business and reputation.

We have experienced in the past, and may in the future experience, misuse of our service platforms, including third parties assuming our identity and circulating spam emails or viruses to our members. We have in the past faced, and currently face, challenges in relation to illegal data gathering, data theft, passing off and infringement of our trademarks, fraudulent registration of domain names similar to our existing domain names, impersonation and damage of goodwill and misuse of customer information and photographs. The occurrence of any such events in the future could lead to user dissatisfaction and discourage the use of our products and services. Such events may also give rise to complaints and actions against us. Any of these factors could have a material adverse effect on our brand, reputation, business, prospects, financial condition and results of operations.

9. We are vulnerable to liability for fraudulent activities on our websites, mobile sites and mobile apps.

In the past, individual profiles have been placed on our websites, mobile sites and mobile apps for persons without their consent. This included profiles of individuals who were already married. Although we monitor content on a random basis to remove objectionable content and have systems in place to narrow the possibility of fraudulent activities, such as making it mandatory for all members to verify their mobile numbers through our free mobile verification services to ensure that the number provided by a member is an active number and the introduction of an option for members to add various "Trust Badges" to their profiles, including the "Identity Badge", which is activated by uploading a copy of any specified government-issued identity proof to add credibility to their profiles, due to the nature of the medium, it is impractical to verify every profile before each upload. For example, it is possible that certain members may provide false information and upload fabricated documents to their profiles to obtain "Trust Badges" with the intent to defraud other members. Such fraudulent activities damage our brand name and reputation and also make us vulnerable to complaints and claims from members for invasion of privacy and fraud by other members which may negatively affect our business, prospects, financial condition and results of operations. We have received, and continue to contest, several consumer complaints filed in various forums, which allege deficiency in our services and the provision of misleading and false representations. For further details, see "Outstanding Litigation and Material Developments—Litigation against our Company—Consumer Complaints" on page 356.

10. Privacy and data protection legislation and regulations and public perception concerning security and privacy on the Internet may adversely affect our reputation, business and profitability.

In the processing of our customer transactions, we receive and store a large volume of member information. Our database of individual profiles is one of our material assets and is a key component in our business operations. Such information is increasingly subject to legislation and regulations in various jurisdictions, including India, and governments are increasingly acting to protect the privacy and security of personal information that is collected, processed and transmitted in or from the governing jurisdiction. We could be adversely affected if legislation or regulations are expanded or amended to require changes in our business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business, prospects, financial condition and results of operations. As privacy and data protection become more sensitive issues in India, we may also become exposed to potential liabilities. For example, under the Information Technology Act, 2000, as amended, we are subject to civil liability for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information on our computer systems, networks, databases and software. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information. Further, although yet to be implemented, the Ministry of Women and Child Development has proposed that all matrimonial websites in India be obliged to authenticate their member profiles using an Aadhaar card. Any liability we may incur now or in the future for violation of such laws and regulations and related costs of compliance and other burdens may adversely affect our reputation, business and profitability.

Moreover, public perception concerning security and privacy on the Internet could adversely affect customers' willingness to use our websites, mobile sites and mobile apps. A publicized breach of security in India, even if it only affects other companies conducting business over the Internet, including our competitors, could inhibit the growth of the Internet as a means of conducting commercial transactions, and, therefore, the prospects of our business.

11. Infrastructure in India may not be upgraded in order to support higher Internet penetration, which may adversely affect our business and prospects and result in slower than expected growth for us.

It is estimated that as of July 1, 2014, there were approximately 243 million Internet users (being individuals, of any age, who can access the Internet at home, via any device type (PC or mobile) and connection) in India, with an Internet penetration of 19.19%, compared to approximately 86.75% in the United States and 46.03% in China (source: <http://www.internetlivestats.com/>). According to the industry report dated November 21, 2014 entitled "Market Size Estimation of Online Matrimony Market" (the "**Online Matchmaking Report**") prepared by KPMG, an independent management consultant, pursuant to an engagement with the Company, the number of Internet users in India is expected to reach over 500 million users by fiscal 2018, which would increase the penetration level to slightly under 40.00% of the Indian population. There can be no assurance that Internet penetration in India will actually increase in the future as slowdowns or disruptions in upgrading efforts for infrastructure in India could reduce the rate of increase in the use of the Internet. The existing infrastructure may not be able to support a growth in users and traffic in India, and the increasing number of users, bandwidth requirements, problems caused by computer viruses and bugs may affect the performance of the Internet, leading to a variety of outages and other delays. These outages and delays could reduce the level of Internet usage generally. Any slowdown or negative deviation in the anticipated increase in Internet penetration in India may adversely affect our business and prospects and may result in slower than expected growth for us.

12. Our inability to build and maintain our brand names will adversely affect our business, prospects, financial condition and results of operation.

Brand recognition is important to the success of our business. Establishing and maintaining our brand names for people relying on online matchmaking services to look for marriage partners is critical to the success of the customer acquisition process of our business. Although we have expended, and expect to continue to expend, a significant amount of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and customer base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, prospects, financial condition and results of operations.

13. *We may not be able to reduce our dependency on search engines to direct users to our websites and mobile sites.*

We depend on various Internet search engines to drive a portion of the online traffic to our websites and mobile sites. The placement of the hyperlinks to our websites and mobile sites on the results of a user search on such search engines is used for driving online traffic to our websites and mobile sites. In addition, a portion of our users are currently directed to our websites and mobile sites through adwords, pay-per-click and display advertising campaigns. We currently use Internet search engines like Google to be featured for a certain amount per click through. The pricing and operating dynamics of these campaigns can change rapidly, and we cannot assure that our arrangements with such Internet search engines will not change adversely, or in the event that such changes occur, it will be on commercially acceptable terms. For example, under the terms of our arrangement with Google, Google may decide, at any time, to charge, suspend or discontinue all or any of its advertising programs, with notification to us and without any liability for such decision. Further, all advertisements submitted by us to Google are subject to its approval and Google may review, reject or remove any such advertisements or may modify or rearrange the text elements in such advertisements. Internet search engines that we utilize may change the logic used on their websites that determines the placement and display of results of a users' search, change our priority position or change the pricing of their advertising campaigns, in a manner that negatively affects the search engine ranking of our websites or mobile sites or the placement of hyperlinks to our websites or mobile sites. As a result, our access to existing and potential users may become limited as these users may be directed to our competitors or other alternatives. If we are unable to reduce our dependency on search engines, we remain subject to the change in "logic" and pricing and operating dynamics of these search engines, which may lead to a decline in our user traffic and adversely affect our business, prospects, financial condition and results of operations.

14. *The growth of our business depends on the growth of mobile Internet penetration and supporting infrastructure in India, and the steady emergence of mobile technology as a viable medium for receiving matchmaking and marriage services.*

It is estimated that mobile Internet penetration in India will grow at an average CAGR of 25.00% to reach 519 million users by fiscal 2018 (source: <http://timesofindia.indiatimes.com/tech/tech-news/India-to-have-519-million-mobile-internet-users-by-FY18-Morgan-Stanley/articleshow/36656019.cms>). We intend to continue to invest in our mobile platform in view of the increasing mobile usage among users in India. For further information, see the section titled "Our Business—Strategy—Continue Investments in Mobile Platform" on page 153. As of March 11, 2015, our BharatMatrimony Android mobile app has achieved one million installs according to www.androidrank.org. A significant number of our members currently utilize our mobile sites and mobile apps to access our online matchmaking services. According to the Key Business Metrics Report, in June 2015, 67.00% of profile views, 55.00% of "Express Interest" messages, 35.00% of personalized messages sent and received and 38.00% of phone numbers viewed on our BharatMatrimony portals were undertaken through our mobile sites and mobile apps, and registrations through our mobile sites and mobile apps accounted for 44.00% of the total number of free profiles registered on our database. Although we have and will continue to invest substantially in the growth and success of our mobile platform and apps, there can be no assurance that the levels of mobile access and engagement on our online marketplaces will continue to increase.

The success of our mobile growth strategy depends in part on:

- the expansion of 3G and 4G networks, as well as broadband wireless access on mass-market smartphones and other mobile devices, in India;
- the quality and security of our mobile offerings, including mobile-based payment services;
- our ability to successfully deploy our existing and future apps on popular mobile operating systems such as iOS and Android;
- our ability to provide compelling platforms and tools in a multi-device environment; and
- our ability to adapt to the device standards used by customers.

While the growth potential of this market is difficult to forecast, we have identified mobile apps as a potentially strong revenue and growth source for our business. As with our other growth initiatives, we expect to incur significant costs in introducing and supporting our websites through mobile apps and our efforts may not be successful. For example, our mobile offerings may be less extensive than, or inferior in quality compared to, our competitors, and we may not be able to deploy our mobile apps on the most popular mobile operating systems or devices in a timely manner or at all. We may lose all or a substantial portion of our investment in this growth initiative, which may have a material adverse effect on our business, financial condition and results of operations.

15. If we are unable to effectively collect payments for our services, in full or otherwise, from our members, it could lead to loss of revenue and in turn have a material adverse effect on our business, prospects, financial condition and results of operations.

Our members can choose among various payment methods to pay for their subscription and/or purchases of our services, including online payment using net banking or debit/credit cards, payment by cheque, cash or demand draft payments to certain designated bank accounts, payment through automated telephone payment systems or cash payment at our offices or to our doorstep collection executives. For certain payment methods, including debit/credit card payments, we pay interchange and other fees, which may increase over time, raising our operating costs and lowering our revenue. We are also subject to various rules, regulations and requirements, regulatory or otherwise, governing electronic funds transfers and payment systems, which could change or be re-interpreted in a manner that makes it difficult or impossible for us to comply.

In the case of net banking and debit/credit card payments, such transactions are processed through a secured gateway. If our online payment systems are disrupted, this may lead to customer dissatisfaction and loss of revenue as potential customers are unable to proceed with payment for their subscription and/or purchases of our services. In the case of payments by cheques, some cheques provided by our members may bounce for reasons including insufficient account balances, incorrect details or fraud. In the case of cash payments, our collection executives may under-report the amount of cash collected from customers to us. In addition, we have engaged, in the past, third party collection agents for doorstep collection of subscription amounts from customers in certain cities and may therefore be exposed to the credit risk of such third parties which are obligated to remit these payments to us either on the same day of collection or the next working day. Such doorstep collections by our collection executives or any third party collection agents that we may appoint are also vulnerable to theft or fraud. Any of the above could lead to loss of revenue and in turn have a material adverse effect on our business, prospects, financial condition and results of operations.

16. Certain changes in social trends may lead to a decrease in the number of customers subscribing for our online matchmaking products and services.

According to the United Nations Children's Fund, as of 2012, approximately 89.00% of marriages in India are arranged (source: "Arranged/Forced Marriage Statistics – Statistic Brain" 2014 Statistic Brain Research Institute, publishing as Statistic Brain. April 17, 2015 <http://www.statisticbrain.com/arranged-marriage-statistics/>), which refer to marriages that are arranged by people other than the individuals getting married, such as parents, matchmaking agencies, matrimonial sites or a trusted third party. Certain changes in social trends in India away from arranged marriages may lead to a decrease in the number of customers subscribing for our online matchmaking products and services, which will in turn adversely affect our business, prospects, financial condition and results of operation.

17. Our revenue is subject to seasonal fluctuations and the second quarter of each year is considered inauspicious by our members and therefore subscription revenues during such quarter would register a slight dip which could in turn affect the price of our Equity Shares.

Our business experiences seasonal fluctuations. We tend to experience lower revenue from our business during the second quarter of each year, which are considered inauspicious by our members. As a result, subscription revenues during such quarter would register a slight dip which could in turn affect the price of our Equity Shares, and quarter-to-quarter comparisons of our results may not be meaningful.

18. If we are unable to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business it may materially and adversely affect our business and operations.

In order to operate our various offices and retail outlets in India, we are required to obtain licenses under the applicable Shops and Establishments legislation of the various states in India in which our offices and retail centers are located. As of the date of this Draft Red Herring Prospectus, we have obtained registrations under the applicable Shops and Establishments legislation in 18 states and are in the process of applying for renewals for such approvals for four centers in four states. In addition, we have also not applied for renewal of certain trade licenses required from municipal authorities for certain of our retail centers. These registrations are required to be renewed periodically and an inability to do so in a timely manner, or at all, may adversely affect our business. See the section titled “*Government and Other Approvals—Registrations under the relevant Shops and Establishment Acts*” on page 367. Moreover, we may be required to obtain, maintain and renew other statutory and regulatory licenses, permits and approvals in connection with the operation of our business, which licenses, permits and approvals may expire, pursuant to their terms, from time to time, including the registration of our intellectual properties. In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations governing our business and operations, including in the telecommunication and electronic commerce sectors in India, could require us to apply for, obtain and maintain additional licenses and approvals. For instance, we may be considered to have not been in compliance with certain foreign exchange and foreign investment laws in relation to our erstwhile wholly owned subsidiary Matrimony Gifts Wholesale Private Limited. Further, we may be required to obtain registration as a “telemarketer” or an “other service provider” with the Telecom Regulatory Authority of India (“**TRAI**”) in respect of our customer engagement efforts through telephone and email. Further, the conditions imposed in any such licenses may adversely affect our ability to communicate with our customers, which may adversely affect our business and operations. We cannot assure you that we will be able to procure and maintain each of these licenses, permits and approvals on a timely basis or at all. Further, these permits, licenses and approvals could be subject to several conditions, and we cannot assure you that we would be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits, licenses or approvals, which may result in the interruption of our operations and may adversely affect our business, prospects, financial condition and results of operations. Any delay or absence of receipt of such licenses, permits or approvals or conditions imposed in such approvals may expose us to significant costs and expenses or cause us to modify or cease our operations, which may materially and adversely affect our business, prospects, financial condition and results of operations.

19. *We may face difficulties in protecting our domain names and trademarks. Failure to protect our domain names and trademarks may hamper our brand building efforts and adversely affect our business.*

We have registered various domain names, including www.matrimony.com, www.bharatmatrimony.com, www.elitematrimony.com, www.communitymatrimony.com, www.assistedmatrimony.com and www.matrimonydirectory.com, and have legal rights over the domain names and the sub-domain names for the period for which such domain names are registered. We conduct our business under each of the aforementioned brand name and logo, and have registered and applied in India for various trademarks derived from each of their individual brand names. However, we are yet to obtain trademark protection for a number of our marks, including “Matrimony.com”, “EliteMatrimony”, “PrivilegeMatrimony” and “matrimony directory”. For further details, see “*Government and Other Approvals—Intellectual Property related approvals*” on page 367 and “*Our Business—Intellectual Property*” on page 166.

We currently face, and may in the future continue to face, claims and legal actions by third parties that are using, or disputing our right to use, the domain names under which our websites or mobile sites currently operate. We may also face the problem of competing websites using domain names that are similar to ours, which may create confusion for people wishing to access our websites, mobile sites or mobile apps and hamper our efforts at brand-building. We have in the past resorted to, and may in the future be required to resort to, similar legal actions to protect our branding and reputation if the need arises. For example, we have filed lawsuits against parties who unlawfully used our domain name or used a domain name that is deceptively similar to our domain and brand name. In 2008, our Company filed a civil suit against Bharatmatrimony.net seeking injunction restraining the defendant from using letterheads, exhibits or any statutory material containing certain trademarks, including Bharatmatrimony, or infringing upon our Company’s trademarks by using them as part of its domain name, trademarks, website, email or trading style in a visually, phonetically or deceptively similar way. Further, our Company sought temporary injunction against the defendant from passing off its websites as our Company’s website pending the disposal of the suit. In addition, in 2009, through our Promoter, we filed a civil suit against Google India Private Limited (“**Google**”) and certain other parties alleging inducement and diversion caused by Google by showing links to

webpages of certain of our competitors in the sponsored links section of Google search services. We have further alleged, in this suit, that Google has been instrumental in inducing the passing off of our services by certain competitors and other entities, and sought a permanent injunction restraining Google and the other defendants from infringing, directly or indirectly, upon the trademarks and services registered and provided by us, along with damages. These matters are pending as on the date of this Draft Red Herring Prospectus. For further details, see the section titled “*Outstanding Litigation and Material Developments*” on page 346. If the outcome of any such complaints or legal proceedings is adverse to us, we may not be able to adequately protect our brand and reputation, which could have a material adverse effect on our business operations.

The acquisition and maintenance of domain names are generally regulated by Internet regulatory and administrative bodies, which may modify their regulatory policies and the requirements for the holding of domain names. We may, therefore, be unable to obtain or maintain relevant domain names in all countries in which we have, or propose to undertake, business operations. We may also face additional difficulties in expanding into any other country and may have to expend considerable time and other resources to obtain domain name registration in such countries. Any delay in acquiring our preferred domain names may provide our competitors the opportunity to obtain such domain names. Therefore, we may be unable to prevent third party competitors from acquiring domain names that are similar to, infringe upon, pass off or otherwise decrease the value of, our trademarks and other proprietary rights. We cannot assure you that our business strategy of creating a strong brand and reputation will be successful if we are unable to protect our domain names and trademarks and any such failure may have an adverse effect on our business, prospects, financial condition and results of operations.

20. *We may be unable to protect our logos, brand names and other intellectual property rights which are critical to our business.*

Our logos, brand names and other intellectual property rights are crucial to our business operations. Although we have incurred and expect to continue to incur substantial expenditure in promoting our logos and brand names, we do not have the intellectual property rights to some of the logos and brand names.

Our Company has not made an application for and consequently does not own trademark registrations for certain logos used in our business including our corporate logo “matrimony.com” (matrimony.com) and our brand logo



(bharatmatrimony.com). Further, our Company has made trademark applications for but has not yet received trademark registrations for certain logos used in our business including the “Bharat Matrimony” logo.

We may not be able to prohibit the use of such intellectual property by any third party and may, in the future, face claims and legal actions by third parties that may use, or dispute our right to use, the logos and brand names under which our business currently operates and we may be required to resort to legal action to protect our logos and brand names. Any adverse outcome in such legal proceedings may impact our ability to use our logos, brand names and other intellectual property in the manner in which such intellectual property is currently used or at all. Further, such adverse outcome may require us to incur significant additional expenditure to develop new logos or brand names. There can be no assurance that we will be able to promote and popularize such new logos or brand names to levels which are similar to our current brands or at all. Any of the above could have a material adverse effect on our business and our financial condition.

21. *We may in the future be exposed to infringement claims by third parties that, if determined adversely against us, could cause significant and material damage to our business.*

We may in the future be subject to intellectual property claims against us. We cannot assure that we will be able to withstand any third party claims and, regardless of the merits of the claim, such claims may be expensive and time-consuming to litigate or settle, and could significantly divert our efforts and resources. Such claims may involve complex legal and factual questions and analysis, and we may be enjoined from continuing our affected business operations or the provision of our products and services during the intervening period when the outcome is pending. In addition, in the event of an adverse outcome in any such claims, we may be liable to pay substantial monetary damages, discontinue any products or services or practices which may infringe or violate the intellectual property which is the subject of the claim, and our brand and reputation could suffer as a result. We may also require licenses

to continue such practices or have to redesign our products and services, which may significantly increase our operating expenses, and may not be cost-effective or based on commercially acceptable terms. Our failure to obtain such license of the rights to continue our business practices on a timely basis or at all could prevent us from providing our products and services and adversely affect our business operations.

22. We continue to explore the diversification of our business and the implementation of new products and services, such as marriage services and sale of gifts. This diversification and our other strategic initiatives may not be successful, which may adversely affect our business, prospects, financial condition and results of operations.

In order to achieve our goal of being a provider of a wide range of matrimony services, we are constantly evaluating the possibilities of expanding our business through acquisitions and/or starting new products or services. We have launched marriage services such as MatrimonyDirectory.com for matrimony-related directory services and MatrimonyPhotography.com to provide wedding photography and videography services and have also introduced Tambulya.com, an online marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts for weddings and other occasions on a bulk order basis. We have also recently introduced a mobile-only relationship app, “Matchify”, to test the dating market in India. “Matchify” is intended to cater to a younger age group and seeks to help users find a match closer to their location and interest. For further details, see the section titled “Our Business” on page 149.

Although we believe that there are synergies between our current business and our expansion plans, we do not have any experience or expertise in certain of these new products and services, such as “Matchify” and Tambulya.com. These new products and services and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some which we are not aware of. For example, in relation to Tambulya.com, the failure of our partners (including courier and logistics companies which deliver goods from suppliers to buyers and payment gateways processing online payments) to fulfill their obligations to customers may adversely impact us as well. In addition, the sale of gifts on Tambulya.com is subject to a minimum order quantity, which could deter prospective customers who may not wish to purchase on a bulk order basis. Such marketplace for the sale of gifts is also based on a transactional model which we are introducing for the first time and as such, it may require a longer period of time for us to build our competency and become profitable in this area.

The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. We have also in the past attempted to diversify into other online verticals such as jobs, property, automobiles, online classified, loan sourcing and sending bulk SMS which did not prove to be profitable and which we have since discontinued.

In addition, we cannot assure you that we will be successful in implementing any or all of our strategic initiatives. Our success in implementing our strategic initiatives and growth strategies may be affected by our ability to:

- maintain the quality of our products and services, such as fast and reliable response;
- create brand awareness in new markets;
- to increase our member and paid subscriber base;
- augment the delivery of our services through mobile apps;
- increase our subscription rates;
- understand local markets and deliver products and services that are meaningful and customized;
- assess changing preferences and new demands of our members and customize our existing services and also introduce new services to meet such preferences and demands;

- attract, train and retain employees who have the requisite skills;
- continue to expand our platform for the provision of our products and services;
- build, acquire, maintain and update the required technology and systems;
- compete effectively with existing and future competitors, including traditional media such as newspapers, magazines and traditional matrimonial agencies; and
- adapt to the changes in our regulatory environment.

Many of these factors are beyond our control and there can be no assurance that we will succeed in implementing our strategic initiatives. If we are not successful, our business, prospects, financial condition and results of operations may be adversely affected.

23. We may not be able to raise additional funds to implement our business strategy successfully in a timely and cost efficient manner, on commercially acceptable terms, or at all.

We may need to raise additional funds to implement our business strategy successfully, such as expanding our sales and marketing operations to increase productivity, undertaking marketing and brand-building initiatives, developing new technology, upgrading current network and infrastructure systems, investing in our mobile platform and developing new and expand current products and services to generate demand. We cannot assure you that we would be able to raise funds in a timely and cost efficient manner, on commercially acceptable terms, or at all. Our inability to raise additional funds may impair our ability to effectively implement our business strategy. If we cannot obtain the required funds on acceptable terms or at all, we may be forced to curtail some or all of these expansion plans, which may impair our business growth and results of operations.

24. We and our Promoter have, in the past, failed to comply with reporting requirements in respect of ours and our Promoter's overseas direct investments and delayed in some of our reporting obligations in respect of our issuance of equity shares and compulsorily convertible preference shares to our non-resident shareholders.

We have, in the past, failed to comply with certain reporting requirements in respect of our overseas direct investments in some of our current and former subsidiaries, in terms of the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended ("**FEMA ODI Regulations**"). In particular, we failed to (i) file Form ODI with the RBI for acquisition of shares of Consim Direct Inc. Nevis ("**CDI**"), Consim Info USA Inc. ("**Consim USA**") and ConsimDirect Holdings Cyprus Limited ("**Consim Cyprus**"); (ii) obtain a Unique Identification Number ("**UIN**") and registration numbers subsequent to and confirming our acquisition of Equity Shares in CDI, Consim USA, Consim Cyprus, Bharat Matrimony LLC ("**BM LLC**"), Match International Inc., USA ("**MII**") and Infonauts; (iii) file annual performance reports to the RBI for all of the aforementioned entities; and (iv) report the dissolution of MII (in 2010), CDI (in 2012) and Consim Cyprus (in 2014) and divestment of our shareholding in Infonauts (in 2013) to the RBI. In relation to the above, as on the date of this Draft Red Herring Prospectus, we have made the requisite filings, such as Form ODIs with the RBI and APRs and divestment/ dissolution reports with the respective authorised dealer banks, as the case may be, in respect of each of the abovementioned entities.

Further, our Promoter failed to (i) file Form ODI, obtain UIN and file APRs with the RBI in relation to his overseas direct investment in Consim Direct Mauritius Limited ("**Consim Mauritius**"), India Property Online Holding Limited ("**IPOHL**") and Infonauts; and (ii) report of the dissolution of IPOHL (in 2013) to the RBI. In relation to these three companies, our Promoter has, as on the date of this Draft Red Herring Prospectus, filed Form ODIs with the RBI and sought issuance of UINs.

In addition, we were delayed in some of our reporting obligations in respect of issuance of our equity shares and compulsorily convertible preference shares to our non-resident shareholders under the Foreign Exchange Management (Transfer or Issue of Security to a Person Resident Outside India) Regulations, 2000, as amended ("**FEMA Regulations**"). In particular, (i) we were delayed in filing details of foreign inward remittance received by

us in respect of inward remittance received as share application money from, and the allotment of compulsorily convertible preference shares and equity shares to certain non-resident shareholders on January 25, 2008 and December 30, 2014, respectively; and (ii) we were delayed in filing Form FC-GPR with the RBI in respect of compulsorily convertible preference shares and equity shares allotted by us to certain non-resident shareholders on January 25, 2008 and January 10, 2012. We have filed an application on May 27, 2015 with the RBI for compounding of these offences pursuant to contravention of the FEMA Regulations (“**Compounding Application**”). This application is currently pending. We cannot assure you that the offences will be compounded by the RBI in a timely manner.

Accordingly, our Company and our Promoter, could, in respect of such contraventions, be subject to adjudication and liable for a penalty which could extend up to thrice the sum involved in such contravention and a further penalty of up to five thousand rupees for every day after the first day during which the contravention continues. In addition, the RBI could also impose a fine on us pursuant to the Compounding Application, which would depend on, among other conditions, the amount of our gain or financial advantage made as a result of such contravention, the amount of loss to any authority/ agency/ exchequer as a result of such contravention, the economic benefits accruing to us from delayed compliance or compliance avoided, the repetitive nature of the contraventions and our conduct in undertaking the transaction and disclosure by us of full facts in the application for compounding.

25. If we are unable to adequately address the financial, operational, network and system infrastructure and human resources challenges of managing a rapidly growing business it may have a negative impact on our ability to implement our strategic initiatives.

We have experienced significant growth in member base over the past several years, with 20.89 million free profiles registered on our database from January 2006 to March 31, 2015, according to the Key Business Metrics Report, and expect our business to continue to grow if we are successful in implementing our key strategic initiatives. The growth of our business has required the significant attention of our management and expenditure of other resources and will likely continue to strain our finances, network and system infrastructure and personnel. In order to properly manage this planned growth, we must continuously improve our operational and financial systems, expand our network and system infrastructure, retain and hire qualified personnel, and enhance the effectiveness of our financial control and procedures. If we are unable to manage this planned growth, it may prevent us from providing attractive and reliable services to customers or efficiently processing transactions on our online marketplaces, due to, for example, unplanned network and system shutdowns or inadequate levels of customer service, which could negatively impact our brand name and reputation and may result in us not being able to attract and retain members. As a result, we may not achieve our desired growth in member base or conversion of free members to paid members, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

26. Some of our products or services have only been recently introduced and, as a result, it may be difficult to evaluate their performance and prospects.

Some of the products and services offered by us were introduced very recently, such as MatrimonyPhotography.com, Tambulya.com and “Matchify”, as well as our Classic Premium subscription package which offers certain additional features that are not included in our other Classic subscription packages, our “Till-U-Marry” subscription package which offers certain features not included in our “Classic” line of packages, such as the our twin pack combination package which offers access to both our BharatMatrimony.com and CommunityMatrimony.com database. For further details, see “Our Business” on page 149. As a result, these products and services have a limited operating history and it may be difficult to evaluate their performance and prospects.

We have invested time and other resources and incurred expenses towards the introduction of these new products and services. In the event that these new products or services do not perform well, we may lose our entire investment in these products and services, which may result in a material adverse effect on our business, prospects, financial condition and results of operations.

27. Future strategic alliances may have a material and adverse effect on our business, reputation and results of operations and future strategic acquisitions may prove difficult to integrate and manage or may not be successful.

We may in the future enter into strategic alliances with various third parties. Strategic alliances with third parties could subject us to numerous risks, including risks associated with sharing proprietary information, non-performance of obligations by the strategic partner, the strategic partner creating similar alliances with our competitors and an increase in expenses incurred in establishing new strategic alliances, any of which may materially and adversely affect our business. We may not be able to control or monitor their actions. To the extent strategic third parties suffer negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our brand name and reputation by virtue of our association with such third parties.

We may in the future also undertake strategic acquisitions of other Internet-based businesses and companies whose resources, capabilities and strategies are complementary to and likely to enhance our business operations in the different geographical regions in which we operate. If we acquire another company we could face difficulties integrating the acquired operations. In addition, the key personnel of the acquired company could decide not to work for us. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. There can be no assurance that we will be able to achieve the strategic purpose of such an acquisition or operational integration or our targeted or any acceptable return on such an investment.

28. Our ability to attract, train and retain executives and other qualified employees is critical to our business, prospects, results of operations and future growth.

Our business and future growth is substantially dependent on the continued services and performance of our key executives, senior management and skilled personnel, especially personnel with experience in our industry and our information technology and systems. If any one or more of such personnel cease to work with us and we are unable to find suitable replacement personnel in a timely and cost efficient manner, our business may be disrupted and we may not be able to achieve our business objectives, including our ability to manage our growth and successfully implement our strategic initiatives. In particular, we are dependent on our Promoter and Managing Director, Mr. Murugavel Janakiraman, for his leadership, vision and overall business direction and strategies. We believe that if we were to lose the services of Mr. Murugavel Janakiraman, who has been with us since inception and who has been instrumental in our ability to achieve significant growth in member base over the past several years, it would have a material adverse effect on our business. Further, we do not have keyman insurance for Mr. Murugavel Janakiraman and will not receive compensation if he leaves our Company. Any members of our senior management may also choose to terminate their employment with us at any time and join our competitors. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all.

Competition for qualified personnel in the areas in which we compete remains intense and the pool of qualified candidates is limited. The specialized skills we require can be difficult and time-consuming to acquire and/or develop and, as a result, such skilled personnel are often in short supply. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. In addition, we will need to hire more employees as we continue to implement our key strategy of building on our leading market position and expanding our business. Our ability to compete effectively depends on our ability to attract new employees and to retain and motivate our existing employees. We may be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees such that there is a drop in employee productivity, our business and prospects for growth could be adversely affected.

In addition, while our employment agreements with our mid and senior level employees typically include provisions that restrict them from controlling, providing consultancy to or being employed by any business similar to ours, either by soliciting our customers or by operating within in our line of service for a period of one year from the end of their employment with us, we may be unable to enforce such arrangements since agreements in restraint of trade (with the exception of agreements relating to the sale of goodwill) are void under the Indian Contract Act, 1872. If we are unable to enforce such clauses, employees who leave us may seek employment with our competitors, which may reduce our market share, and adversely affect our ability to compete effectively.

29. Wage pressures in India may impact our business and reduce our profit margins.

Employee benefits represent our largest expense and our ability to maintain or reduce the percentage of such expenses is critical for our business operations. Employee benefits expense constituted 43.51% , 45.24% and 47.07% of our consolidated total expenses in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, largely due to an increase in our Company's employee headcount from 3,629 employees (based on the payroll register of the Standalone Company as of March 21, 2013, the 21st of each month being the cut-off date for our payroll processing) to 4,106 employees (based on the payroll register of the Standalone Company as of March 21, 2015, the 21st of each month being the cut-off date for our payroll processing).

We may need to increase the levels of our employee compensation to remain competitive and manage attrition. An increase in wages paid to our employees may result in a material adverse effect on our profits in the event that we are unable to pass on such increased expenditure to the price of our products and services, without losing the business to our competitors. Likewise, if we are unable to sustain or increase the number of employees as necessary to meet growing demand, our business, prospects, financial condition and results of operations could be adversely affected.

30. Our Promoter and Promoter Group may exercise significant control over us and our Promoter currently has, and may in the future continue to have, interests in other non-competing businesses.

Our Promoter and Promoter Group currently beneficially own approximately 56.00% of our outstanding Equity Shares on a fully diluted basis. After the completion of this offering, our Promoter and Promoter Group will beneficially own approximately [●]% of our outstanding Equity Shares. For further details, see “*Our Promoter, Promoter Group and Group Entities*” on page 198. As [●]% shareholders of our Equity Shares, our Promoter and Promoter Group will have the ability to exercise control over us and certain matters which include election of directors, our business strategy and policies, timing and distribution of dividends and approval of significant corporate transactions such as sales and business combinations and change of control transactions. The extent of their shareholding in us may also delay, prevent or deter a change in control, even if such a transaction is beneficial to our other shareholders. It may deprive our other shareholders of an opportunity to receive a premium for their Equity Shares as part of a sale of our Company and may reduce the price of our Equity Shares. The interests of our Promoter and Promoter Group as our controlling shareholders as well as our other significant shareholders could also conflict with our interest or the interests of our other shareholders. We cannot assure you that our Promoter and Promoter Group and other significant shareholders will act to resolve any conflicts of interest in our favor, and they may take actions that are not in our best interest or that of our other shareholders. These actions may be taken even if they are opposed by our other shareholders, including those who have purchased Equity Shares in this Offer.

In addition, our Promoter, who is also part of our management, currently has, and may in the future continue to have, interests in other non-competing businesses. For more information, see “*Our Promoter, Promoter Group and Group Entities*” on page 198. As a result, our Promoter may not be solely focused on our business and may be distracted by, or have conflicts as a result of the demands of such other non-competing businesses, which may materially and adversely affect our business, prospects, results of operations and financial condition.

31. The Company has incurred substantial legal expenses in recent years on account of litigation with Rajan Desai and Real Soft Inc., and may continue to incur such expenses in the future as well. These expenses may materially and adversely affect our business prospects, financial condition, results of operations and cash flows.

On May 13, 2011, the US Plaintiffs filed a lawsuit, *inter alia*, against Infonauts, Inc., and Consim Info USA, Inc. Pursuant to three amended complaints, the Company, the board of directors of the Company, BM, LLC, the Promoter, Yahoo! Inc., Bessemer Venture Partners, Canaan Partners and Mayfield Fund, were added as defendants to the matter. However, pursuant to its orders dated March 20, 2014 and August 4, 2014, the Superior Court of New Jersey dismissed the claims of the US Plaintiffs against Yahoo! Inc., Bessemer Venture Partners, Canaan Partners and Mayfield Fund, the board of directors of the Company and BM, LLC. Accordingly, the defendants, as of the date of this Draft Red Herring Prospectus, are Infonauts, the board of directors of Infonauts, Consim Info USA, Inc., the board of directors of Consim Info USA, Inc, the Promoter and the Company. In addition, the Company has also filed proceedings in the Madras High Court (i) seeking injunctive relief against the US Plaintiffs from carrying on the legal proceedings in New Jersey or any other place other than Chennai and interfering in the Company's business, including its proposed initial public offering and (ii) in relation to the contempt by the US Plaintiffs of the

orders of the Madras High Court granting the aforementioned injunctive relief. For further information on the litigation, please see the section titled “*Outstanding Litigation and Material Developments*” on page 346.

Since the US Plaintiffs are primarily seeking award of their alleged equity interest in the website ‘Bharatmatrimony.com’ and other related websites, which are owned by the Company, as well as a constructive trust over ‘Bharatmatrimony.com’ and all associated businesses and websites, including the Company, expenses incurred in defending the litigation against all defendants as well as the proceedings initiated by the Company against the US Plaintiffs in Chennai have been met by our Company. The Company incurred legal expenses aggregating to ₹ 366.85 million in respect of the fiscal years 2013 to 2015 towards legal or other fees and expenses in connection with disputing, preparing and defending against claims of the US Plaintiffs as well as the proceedings initiated by the Company against the US Plaintiffs in Chennai. The litigation is currently in the pre-trial discovery stage and the court has not yet set a date for trial. Any decision by the trial court is also subject to appeals by the aggrieved party.

On June 18, 2015, the US Plaintiffs filed an offer of judgment with the Superior Court of New Jersey in the amount of US\$20 million. Under New Jersey law, an offer of judgment is a device whereby one party to a lawsuit makes a formal proposal for judgment to be entered in a specified amount. If the plaintiff makes an offer of judgment that is not accepted and later obtains a money judgment in an amount that is at least 120 percent of the offer, not including allowable prejudgment interest and counsel fees, the plaintiff is entitled to allowable prejudgment interest, counsel fees and certain other costs from the time that the defendant rejected, or is deemed to have rejected, the offer. New Jersey law also provides that an offer of judgment is ineffective where the plaintiff seeks relief that is not exclusively monetary in nature. Since the US Plaintiffs are seeking other forms of relief, including specific performance and a constructive trust, the US Plaintiffs’ offer of judgment may be ineffective. The Company has not accepted the US Plaintiffs’ offer of judgment. If the Company were found liable on the US Plaintiffs’ claims, the offer of judgment would not limit the Company’s liability to the US Plaintiffs. If the Company were found liable and the Court were to find that the offer of judgment was effective, the Company could be liable not just for the full amount of the judgment but also (as mentioned earlier) for allowable prejudgment interest, counsel fees and certain other costs from the date that the Company is deemed to have rejected the US Plaintiffs’ offer of judgment. Therefore, depending on the outcome of the litigation, the Company may be required to make substantial payments in future, which payments may exceed the resources which may be available to the Company. In addition, it is unclear how long this legal dispute is likely to continue and the Company may continue to incur significant legal expenses in defending against the claim of the US Plaintiffs and in resisting the enforcement of such judgment by Indian courts (in terms of section 13 of the CPC) which may materially and adversely affect our business, financial condition, results of operations and cash flows.

32. *We have entered into, and will continue to enter into, related party transactions which may involve conflicts of interest.*

We have entered into, and will continue to enter into, transactions with several related parties, including loans and advances made by us to IPOPL and Infonauts, expenses made by us on behalf of IPOPL, our purchase of redeemable preference shares in IPOPL and our transfer of assets to IPOPL in fiscal 2013 and fiscal 2014. For more information regarding our related party transactions, see the section titled “*Related Party Transactions*” on page 207. While, in our view, all such related party transactions that we have entered into are legitimate business transactions conducted on an arms’ length basis and going forward, all related party transactions that we may enter into will be subject to board or shareholder approval, as necessary under the Companies Act, 2013 and the Equity Listing Agreements that we will enter into with the Stock Exchanges, we cannot assure you that our any future related party transactions that we may enter into will not, individually or in the aggregate, have an adverse effect on our business, prospects, financial condition, results of operations and prospects.

33. *Breach of our contract with our vendors or third party suppliers may adversely affect our business, prospects, financial condition and results of operations.*

We depend upon vendors and third party suppliers to provide us with hardware and software required for the development and provision of our products and services to our members. In addition, we also rely, from time to time, on third parties for certain of our doorstep payment collection initiatives and for product delivery and return logistics for Tambulya.com, our online transaction marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts. We may be liable to these vendors and third party suppliers if we are held to be in breach

of our contracts with them, which could result in a claim against us for damages. This could have a material adverse effect on our business, prospects, financial condition and results of operations. Although we maintain commercial liability insurance coverage, we cannot assure that the terms and coverage of such insurance would be applicable or sufficient to cover the claims raised against us in this regard.

Further, in the event that these vendors or third party suppliers do not fulfill their obligations to us under the contract or breach any other terms therein, we may not be able to enforce such obligations or succeed in a claim against them for damages, which could affect our business and financial condition. In addition, we cannot assure you that we will be able to find suitable replacements in a timely manner, if at all. We also cannot assure you that any such damages payable would be adequate compensation for our losses. The continuity and quality of our business operations may be adversely affected, which may result in a material adverse effect on our business, prospects, financial condition and results of operations.

34. Our insurance coverage may be inadequate to satisfy future claims against us.

We maintain insurance which we believe is typical in our industry in India and in amounts which we believe to be commercially appropriate for a variety of risks, including master policies covering electronic equipment, machinery breakdown, petty cash, all risks and fires and perils, commercial liability insurance, group medi-claim insurance and group term insurance for our employees. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, particularly when the loss suffered is not easily quantifiable. Our insurance policies contain exclusions and limitations on coverage, as a result of which we may not be able to successfully assert our claims for any liability or loss under the said insurance policies. In addition, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Further, there can be no assurance that in the future we will be able maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable.

The occurrence of an event for which we are not insured, where the loss is in excess of insured limits occurs or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Further, despite such uninsured losses, we may remain obligated for any financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business, prospects, financial condition and results of operations.

35. We, our Promoter, Subsidiaries and Group Companies are party to certain legal proceedings that, if decided against us or our Promoter, Subsidiaries and Group Companies could have a material adverse effect on our reputation, business, prospects, financial condition and results of operations

Our Company, our Promoter, Subsidiaries and Group Companies are involved in legal proceedings including criminal proceedings and civil proceedings. These proceedings are pending at different levels of adjudication before various courts. A summary of the litigation involving our Company, Promoter, Subsidiaries and Group Companies is set out below. The amounts involved in these proceedings have been summarized to the extent ascertainable and quantifiable.

Litigation against our Company

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Criminal proceedings	Two	2.43
Civil proceedings	Seven	0.46
Service tax proceedings	Four	45.06
Income tax proceedings	Ten	142.00
Labour related matters	Six	0.03
Consumer complaints	Twenty-one	8.84

Litigation initiated by our Company

Nature of the cases	No. of cases outstanding	Amount involved (in ₹million)
Criminal proceedings	Two*	0.08
Civil proceedings	Six	2.01
Labour related matters	One	16.29

*We have filed certain criminal complaints against various persons in relation to, among other offences, data theft. We are unaware of the current status of these complaints. For further details, see the subsection titled, “ Risk Factors — Certain documents in relation to an allotment of Equity Shares made by us and in relation to certain pending legal proceedings involving our Company are not traceable” on page 35.

Litigation against our Subsidiaries

Nature of the cases	No. of cases outstanding	Amount involved (In ₹million)
Civil proceedings	One	-
Tax proceedings	One	0.002

Litigation involving our Directors:

Nature of the cases	No. of cases outstanding*	Amount involved (In ₹ million)
Civil proceedings	Sixty one	-
Tax proceedings	Two	0.20

Litigation involving our Promoter:

Nature of the cases	No. of cases outstanding	Amount involved (In ₹ million)
Civil proceedings	One	-
Tax proceedings	Two	0.20

Litigation against our Group Entities:

Nature of the cases	No. of cases outstanding	Amount involved (In ₹ million)
Civil proceedings	Two	0.86

In addition, our Company, our Directors and our Promoter have received certain legal notices including income tax notices and labour notices. For further details on these proceedings, see “*Outstanding Litigation and Material Developments*” on page 346. While we believe that none of these legal proceedings may potentially affect our business, we cannot assure you that these legal proceedings will be decided in our favour. Any adverse decision may have a material adverse effect on our reputation, business, prospects, financial condition, results of operations and cash flows.

36. Our Group Entities have incurred losses in the recent past.

Our Group Entities have incurred losses in fiscal 2013, fiscal 2014 and fiscal 2015, as set forth in the table below:

Name of Group Entity	Fiscal 2015	Fiscal 2014	Fiscal 2013
	(In ₹)		
India Property Online Private Limited	-	(287,004,172)	(227,621,557)
Propfinder India Private Limited	-	(6,475,540.76)	729,522.00
Consim Direct Mauritius Limited	-	(95.00)	—

Infonauts Inc	(133,375)	(162,054)	(82,940)

There is no assurance that these or any of our other Group Entities will not incur losses in future periods or that there will not be an adverse effect on our Company's reputation or business as a result of such losses.

37. *We do not own our registered and corporate office and our other offices.*

At present, we neither own the premises that we use as our registered and corporate office nor the premises that we use for our other offices, all of which have been taken on lease by us. If the terms of the lease are violated by any of the parties thereto or if we are unable to renew the leases prior to the expiry of the term thereat, our operations may be adversely affected. Further, the lease agreements in respect of certain of our branch offices have not been registered. Consequently, we may not be able to enforce these leases, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition. For more information, see "Our Business—Properties" on page 165.

Further, the lessor of the building which houses our registered and corporate office has received a notice dated July 21, 2011 from the Chennai Metropolitan Development Authority ("CMDA") alleging that certain constructions in the building, including the 10th floor where our registered office is situated, had been made in contravention of the planning permission issued by the CMDA in terms of the Town and Country Planning Act, 1971, as amended. The notice also called upon our lessor to discontinue usage of these premises, remove the additional built-up area and restore the building to the dimensions approved in the original building plan. In the event that our lessor is unable to provide a satisfactory explanation to the contents of the notice to the CMDA, and the matter is not resolved to the satisfaction of the CMDA, we may have to vacate these premises, which could adversely affect our business operations.

38. *Fluctuations in currency exchange rates may have an adverse impact on our business, prospects, financial condition and results of operation.*

Our exposure to foreign currency risk arises in respect of our non-Indian Rupee-denominated trade and other receivables, trade payables, and cash and cash equivalents. While our presentation and functional currency is the Indian Rupee, we have certain loans and advances, trade receivables, trade payables and other long-term liabilities denominated in U.S. dollar and United Arab Emirates dirham. Any fluctuation in the value of the Indian Rupee against the U.S. dollar or the United Arab Emirates dirham will affect our results of operations. For example, the effect of exchange differences on cash and cash equivalents held in foreign currency was ₹ 2.84 million and ₹ 1.79 million in fiscal 2015 and fiscal 2014, respectively, as compared with ₹ 0.17 million in fiscal 2013. Further, we currently do not use any foreign exchange hedging contracts to manage our exchange rate risk. Although we may, in the future, enter into such foreign exchange hedging contracts, we cannot assure you that such hedges will be available or commercially viable or effective to hedge our exposure to foreign currency risks. If the Indian Rupee further depreciates against the U.S. dollar or United Arab Emirates dirham, this may have an adverse impact on our business, prospects, financial condition and results of operation.

39. *We may not achieve the desired benefit from the demerger of our property listing and advisory services business to India Property Online Private Limited.*

In fiscal 2013, we demerged our property listing and advisory services business (the "Demerged Undertaking") to IPOPL through a scheme of arrangement which was approved by the High Court of Madras on February 15, 2013 and registered with the Registrar of Companies on March 1, 2013. The Demerged Undertaking, with a book value of net asset of ₹ 4.23 million as of March 31, 2012, was transferred to, and vested in, IPOPL, in the demerger with effect from April 1, 2012. The book value of net asset of the Demerged Undertaking was adjusted against our securities premium account in accordance with the provision of the scheme. For further details, see Notes 9 and 10 to our Restated Consolidated Summary Statements on pages 230-231 and the section entitled "History and Certain Corporate Matters—Major Events and Milestones—Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets—Scheme of arrangement and demerger between our Company, India Property Online Private Limited and their respective shareholders and creditors" on page 174.

Whilst the demerger has been undertaken to streamline our business operations and that of IPOPL as well as to increase our focus on our core business, there is no assurance that we will be able to achieve the desired benefit from the demerger.

40. *Certain documents in relation to an allotment of Equity Shares made by us and in relation to certain pending legal proceedings involving our Company are not traceable. In addition, we have incorrectly recorded and reported the date of one of our Equity Share allotments.*

We have been unable to trace copies of the return of allotment (Form 2) filed by us with the RoC pursuant to the allotment of Equity Shares to our Promoter, Mr. MurugavelJanakiraman, on July 17, 2006. While we believe that this form was duly filed on a timely basis, we have not been able to obtain copies of this document, including from the RoC, and have placed reliance on other documents, including board resolutions and their agenda for allotment of the Equity Shares for disclosure in this Draft Red Herring Prospectus. In addition, we incorrectly recorded (in our minutes), and reported (in the return of allotment filed with the RoC) September 26, 2011 as the date of an allotment of 87,832 Equity Shares made to Yahoo! Netherlands BV (upon conversion of 87,832 optionally convertible preference shares) which was effected on September 28, 2011 as per the Shareholders' Agreement, on account of an inadvertent error.

In addition, we have been unable to locate acknowledged and final copies of certain criminal complaints filed by us against various persons in relation to, among other offences, data theft. We are unaware of the current status of these complaints. Further, we are unable to trace the current status of certain legal proceedings initiated by certain customers of our Company. Disclosure in relation to the current status of the proceedings has been made based on internal records maintained by our Company. For further details, see the section titled "*Outstanding Litigation and Material Developments—Litigation involving our Company*" on page 346.

We cannot assure you that the abovementioned form filing and records of complaints will be available in the future or that we will be able to file a rectified form in respect of the allotment of Equity Shares on September 28, 2011 or that we will not be subject to any penalty imposed by the competent regulatory authorities in this respect.

41. *This Draft Red Herring Prospectus contains information from industry reports which were prepared by KPMG pursuant to an engagement with the Company.*

This Draft Red Herring Prospectus includes information that is derived from the Online Matchmaking Report and the industry report dated November 21, 2014 entitled "*Market Assessment of Marriage Services Market*" (the "**Marriage Services Report**" and together with the Online Matchmaking Report, the "**KPMG Reports**") prepared by KPMG, an independent management consultant, pursuant to an engagement with the Company. The KPMG Reports were prepared by KPMG for the purpose of confirming our understanding of the matchmaking industry and the marriage services industry in India. Neither we, nor any of the BRLMs, nor any other person connected with the Offer has verified the information in the KPMG Reports. KPMG has advised that while they have obtained information from the public domain or external sources ("**Information**"), as far as possible, from sources generally considered to be reliable, *inter alia*, from the Census, TRAI and IAMAI, they do not guarantee the accuracy, adequacy or completeness of Information and is not responsible for any errors or omissions in the Information or for the results obtained from the use of such Information. The KPMG Reports highlight certain industry and market data. Such data is subject to many assumptions. There are no standard data gathering methodologies in the industries in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that KPMG's assumptions are correct or will not change and accordingly our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the KPMG Reports are not recommendations to invest/disinvest in the Company. KPMG state that they disclaim all responsibility and liability for any costs, damages, losses, liabilities incurred by any third party including subscribers / users / transmitters / distributors in the Offer who uses or relies upon the KPMG Reports or extracts therefrom. Prospective investors are advised not to unduly rely on the KPMG Reports when making their investment decisions.

42. *The objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Further, the deployment of the Net Proceeds is at the discretion of our Company and is not subject to monitoring by any independent agency.*

The objects of the Fresh Issue, as detailed have not been appraised by any bank or financial institution. The estimate of costs is based on quotations received from vendors and consultants. Though these quotes or estimates have been taken recently, they are subject to change and may result in cost escalation. Any change or cost escalation can significantly increase the cost of the objects of the Fresh Issue.

Because our Fresh Issue size is less than ₹ 5,000 million, we are not required to appoint a monitoring agency under the SEBI Regulations. Hence, deployment of Net Proceeds will be at the discretion of our Company and is not subject to any monitoring by any independent agency. We cannot assure you that we will be able to monitor and report the deployment of the Net Proceeds in the manner similar to that of the monitoring agency.

43. Any delay in the schedule of implementation might have an adverse impact on our profitability.

Our schedule of implementation for the objects of the Fresh Issue may be affected by various risks, including time and cost overruns as well as factors beyond our control. Any delay in our schedule of implementation may cause us to incur additional costs. Such time and cost overruns may adversely impact our business, financial condition and results of operations.

44. We have not entered into definitive agreements to use a portion of the Net Proceeds of the Fresh Issue.

We intend to use the Net Proceeds of the Fresh Issue as set forth in the section titled “Objects of the Offer” on page 108. We intend to temporarily invest the Net Proceeds in the manner described in the section titled “Objects of the Offer” on page 108 until we decide to utilize such proceeds. Subject to policies established by our Board, we will have significant flexibility in the manner in which we invest these proceeds in the short term.

We have not entered into definitive agreements to utilize a certain portion of the Net Proceeds. In particular, we have not placed orders for the purchase of the capital equipment such as computer hardware and related software for creation of our proposed centrally controlled customer contact center. We have relied on third party quotations to calculate the expected amount of the Net Proceeds to be deployed towards this object. These estimates may be inaccurate and we may require additional funds to implement the objects of the Fresh Issue.

In addition, we propose to deploy a certain portion of the Net Proceeds from the Fresh Issue to purchase and develop office premises for utilization by our product development team in Chennai. For further details, see the section titled “Objects of the Offer” on page 108. These premises are currently under construction and we propose to acquire the premises from Sri Kausalya Constructions Limited (“SKCL”). In terms of a letter of intent that we have entered into with SKCL for purchase of these office premises, the construction of the premises is expected to be completed by April 2016. However, if SKCL is not in a position to obtain a completion certificate from the CMDA on or before December 31, 2016, then the transaction stands cancelled. In the event that these premises are not completed or SKCL does not obtain a completion certificate by December 31, 2016, we would be constrained to locate and acquire alternative premises under similar commercial terms through the Net Proceeds of the Fresh Issue, which could result in delay in deployment the Net Proceeds of the Fresh Issue.

45. Any variation in the utilization of the Net Proceeds as disclosed in the section titled “Objects of the Offer” of the Draft Red Herring Prospectus will be subject to certain compliance requirements including prior shareholders’ approval.

We intend to use the Net Proceeds of the Fresh Issue as set forth in the section titled “Objects of the Offer” on page 108. We currently cannot determine with certainty if we will need to use the Net Proceeds to fund any other expenditure or any exigencies arising from the competitive environment, business or economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation from the objects of the Fresh Issue without obtaining our shareholders’ approval through a special resolution. In the event that it becomes necessary to deviate from the disclosed objects of the Fresh Issue, we may not be able to obtain our shareholders’ approval in a timely manner or at all. Any delay in obtaining or inability to obtain such shareholders’ approval may adversely affect our business or operations.

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

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

External Risk Factors

46. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws, may adversely affect our business and financial performance.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances briefly mentioned below, may adversely affect our business, prospects, financial condition, results of operations, to the extent that we are unable to suitably respond to and comply with such changes in applicable law and policy.

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

At present, no laws, regulations or policies have been adopted by the Government of India, through the TRAI or otherwise, to enforce non-discriminatory access to the Internet, commonly referred to as “net neutrality”. In 2006, TRAI invited opinions regarding the regulation of net neutrality from various telecommunications industry bodies and stakeholders. In March 2015, TRAI released a consultation paper inviting comments on net neutrality and the regulation of “over the top” services, which include various applications and websites that consumers access over telecommunications networks. Any laws, regulations or policies that restrict, modify or increase the cost of access to our websites, mobile sites or mobile apps may adversely affect our business, financial condition and results of operations.

The impact of any or all of the above changes to Indian legislation on our business cannot be fully determined at this time. In addition, our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. Such unfavorable changes could decrease demand for our services and products, increase costs and/or subject us to additional liabilities. For example, there may continue to be an increasing number of laws and regulations pertaining to the Internet and digital commerce, which may relate to liability for information retrieved from or transmitted over the Internet or mobile networks, user privacy, taxation and the quality of services provided through the Internet. Further, the growth and development of digital commerce may result in more stringent consumer protection laws that may impose additional burdens on Internet businesses generally. Any such changes could have an adverse effect on our business and financial performance.

47. The applicable competition law regime in India may adversely affect our business, prospects, financial condition and results of operations.

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

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the Competition Commission of India (“**CCI**”) has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage. 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, prospects, financial condition and results of operations.

48. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The Government has in recent years sought to implement economic reforms and the current government has implemented policies and undertaken initiatives that continue the economic liberalization policies pursued by previous governments. There can be no assurance that liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

49. Changes in rules promulgated by the SEBI, the various Indian stock exchanges and changes in the interpretation or enforcement of existing law and rules relating to the stock markets or investment in securities may adversely impact our business.

The securities industry in India is subject to extensive regulation. Our ability after listing of our Equity Shares to comply with all the applicable laws, rules, regulations and by-laws of the SEBI and the Indian stock exchanges is largely dependent on our internal compliance procedures, as well as our ability to attract and retain qualified compliance personnel. We could be subject to disciplinary or other actions in the future due to non compliance, which could have an adverse effect on our business, financial condition and operating results.

50. Our Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for our Equity Shares. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a

market for our Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations which are beyond our control, including:

- volatility in the Indian and global securities markets;
- our results of operations and performance;
- the state of the Indian economy, significant developments in the Indian economic liberalization and changes in Indian laws and regulations;
- the history of, and the prospects for, us and the industry in which we compete;
- an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues and cost structures;
- the valuation of publicly traded companies that are engaged in business activities similar to ours; and
- general market sentiment regarding Internet companies, and online matrimonial companies in particular.

If you purchase Equity Shares in this Offer, you may not be able to resell your Equity Shares at or above the initial public offering price and, as a result, you may lose all or part of your investment.

51. Any future issuance of Equity Shares may dilute your shareholdings, and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us may lead to the dilution of investors' shareholdings in our Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Offer, including by our Promoter or other major shareholders, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could materially impair our future ability to raise capital through offerings of our Equity Shares. Our Promoter and members of our Promoter Group currently hold an aggregate of 56.00% of our outstanding Equity Shares on a fully diluted basis. After the completion of the Offer, our Promoter will continue to hold [●]% of our outstanding Equity Shares. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoter or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

52. Our Company has issued Equity Shares during the preceding one year at a price that may be below the Offer Price.

In the 12 months preceding the filing of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price that may be lower than the Offer Price. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded. For more information, see "*Capital Structure—History of Share Capital of our Company*" on page 86.

53. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.

Our Financial Statements included in this Draft Red Herring Prospectus are prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Financial Statements to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from Indian GAAP. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of

familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

54. Our failure to successfully adopt new accounting standard when required under Indian law could have a material adverse effect on our stock price.

Our Company may be required to prepare our annual and interim financial statements under new Indian accounting standards that the Ministry of Corporate Affairs has announced will be implemented in phases. Because there is significant lack of clarity on the adoption of and convergence with the new Indian accounting standards and there is not yet a significant body of established practice on which to draw in forming judgments regarding its implementation and application, we have not determined with any degree of certainty the impact that such adoption will have on our financial reporting. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under the new Indian accounting standards than under current Indian GAAP. As we transition to reporting under the new Indian accounting standards, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, there is likely to be increasing competition for the small number of IFRS experienced accounting personnel as the new Indian accounting standards have been derived from IFRS. There can be no assurance that our adoption of new Indian accounting standards will not adversely affect our reported results of operations or financial condition. Any failure to successfully adopt new Indian accounting standards when required under Indian law could have a material adverse effect on our stock price.

55. There are no standard valuation methodologies or generally accepted accounting practices or standard of measure of the information technology and related industries.

There are no standard valuation methodologies or generally accepted accounting practices or standard of measure of the information technology and related industries. Consequently, any comparison of our Company with other companies engaged in similar businesses may not provide investors with any meaningful information, comparisons or analysis. Current valuations may not be reflective of future valuations within the information technology industries as our business is not meaningfully comparable with businesses in these industries. Our investors may therefore not be able to accurately assess and measure the value of our business factoring in the effectiveness of our products and services, and our potential for growth.

56. It may not be possible for you to enforce any judgment obtained outside India, including in the United States, against our Company or any of our directors and officers that are resident in India, except by way of a suit in India on such judgment.

Our Company is incorporated under the laws of India and all of our directors (except for one) and executive officers reside in India. Furthermore, all of our Company's assets are located in India. As a result, you may be unable to:

- effect service of process in jurisdictions outside India, including in the United States, upon our Company; or
- enforce in Indian courts judgments obtained in courts of jurisdictions outside India against our Company, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the CPC. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the CPC as a decree of an Indian court.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the CPC. Section 13 of the CPC provides that a foreign judgment shall be conclusive as to 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 in 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 in force in India. The United Kingdom, Singapore and Hong Kong have been declared by the Government to be reciprocating territories for purposes of Section 44A of the CPC.

Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the 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 in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty.

However, the party in whose favor 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 or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

57. Terrorist attacks, communal disturbances and regional conflicts in South Asia may have a material adverse effect on our business and on the market for securities in India.

Terrorist attacks, whether in India or another country may adversely affect Indian and worldwide financial markets. These acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, prospects, financial condition and results of operations.

Some parts of India have experienced communal disturbances and riots during recent years. If such events recur, our business and financial condition may be adversely affected.

South Asia has, from time to time, experienced instances of civil unrest and hostilities between neighboring countries, such as between India and Pakistan. In the past, there have been military confrontations between India and Pakistan along the India-Pakistan border. Military activity or terrorist attacks in the future could adversely affect the Indian economy and the financial condition and results of operations of Indian companies, including us, which would have a material adverse effect on the market and valuation for securities of such companies, including our Equity Shares.

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

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

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

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

Prominent Notes

1. Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share, including a share premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million, comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,500 million by our Company and an Offer for Sale of up to 1,660,603 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders, comprising of an offer for sale of up to 1,461,006 Equity Shares by Bessemer India Capital Holdings II Ltd. aggregating up to ₹ [●] million, offer for sale of up to 93,394 Equity Shares by Draper Investment Company LLC aggregating up to ₹ [●] million, offer for sale of up to 23,369 Equity Shares by the Hartenbaum Revocable Trust U/A/D 02/03/06 aggregating up to ₹ [●] million and offer for sale of up to 82,834 Equity Shares by Indrani Janakiraman aggregating up to ₹ [●] million. The Offer also includes a reservation of up to [●] Equity Shares aggregating up to ₹ 2.50 million for subscription by Eligible Employees. The Offer and the Net Offer would constitute [●] % and [●] % of the fully diluted post-Offer paid-up Equity Share capital of our Company.
2. The net worth of our Company was ₹ (32.13) million (calculated excluding preference share capital and cumulative preference dividend) and ₹ (14.10) million (calculated including preference share capital) as of March 31, 2015 as per our Restated Unconsolidated Summary Statements. The net worth of our Company was ₹ (27.33) million (calculated excluding preference share capital and cumulative preference dividend) and ₹ (9.30) million (calculated including preference share capital) as of March 31, 2015 as per our Restated Consolidated Summary Statements.
3. The net asset value per Equity Share prior to consolidation of shares from face value of ₹ 3.00 to face value of ₹ 5.00 was ₹ (0.40) and ₹ (0.26) as of March 31, 2015 as per our Restated Unconsolidated Summary Statements and Restated Consolidated Summary Statements, respectively.
4. The average cost of acquisition per Equity Share by our Promoter is ₹ 1.12*. For further details see “*Capital Structure- Build up of Promoters’ equity shareholding in our Company*” on page 98. 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.

*The cost of acquisition of equity shares has been arrived at before accounting for transfers by way of sale.
5. There are no financing arrangements pursuant to which our Promoter Group, our Directors and/ or their relatives have financed the purchase of Equity Shares by any other person during the six months immediately preceding the date of this Draft Red Herring Prospectus with the SEBI.
6. Our Company has changed its name from Consim Info Private Limited to Matrimony.com Private Limited to align the name of our Company to the business carried out by our Company and a fresh certificate of incorporation was issued by the RoC on August 17, 2012 and subsequently to Matrimony.com Limited pursuant to the conversion of our Company from a private limited company to a public limited company and received a fresh certificate of incorporation was issued by the RoC on January 2, 2015. The main objects of the MoA were changed to reflect the change in name of our Company on July 27, 2012. For further details, please see “*History and Certain Corporate Matters-Amendments to our Memorandum of Association*” on page 170.
7. For details of changes in our registered office, see the section titled “*History and Certain Corporate Matters - Changes in the Registered Office of our Company*” on page 172.

8. Except as stated under the sections titled “*Our Promoter, Promoter Group and Group Entities*” and “*Related Party Transactions*” on page 198 and 207, respectively. None of our Group Entities have any business interests or other interests in our Company.
9. For details of the cumulative value of transactions entered into by our Company with our Group Entities or Subsidiaries as at March 31, 2015 please see “*Related Party Transactions*” on page 207, respectively.
10. Investors may contact any of the BRLMs, who have submitted the due diligence certificate to SEBI for any complaint pertaining to this Offer.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section is derived from reports of various governmental agencies, industry reports and other publicly available sources. This includes the information available on the websites of, in the reports or adapted from the reports of and/or from the databases of, United States Central Intelligence Agency “World Factbook” (the “**CIA Factbook**”); the Internet World Stats statistics available at <http://www.internetworldstats.com>; traffic share distribution from July 2013 to May 2015 for Matrimony.com, Jeevansathi and Shaadi compiled by comScore Technologies India Private Limited (the “**comScore Report**”); and the industry reports dated November 21, 2014 entitled “Market Size Estimation of Online Matrimony Market” (the “**Online Matchmaking Report**”) and “Market Assessment of Marriage Services Market” (the “**Marriage Services Report**”) and together with the Online Matchmaking Report, the “**KPMG Reports**”) prepared by KPMG, an independent management consultant, pursuant to an engagement with the Company. The KPMG Reports contain disclaimers and scope limitations pertaining to the work performed by it, a summary of which is set out below. The KPMG Reports should be referred to for the full text of the disclaimers and scope limitations.

The information contained in the KPMG Reports is of a general nature and is not intended to address the circumstances of any particular individual or entity. No one should act on the information contained in the KPMG Reports or any part thereof, without appropriate professional advice and due consideration. The KPMG Reports are dated as of November 21, 2014, reflect the position only as of that date and were prepared pursuant to an engagement letter between the Company and KPMG dated October 22, 2014 for purposes other than inclusion in this Draft Red Herring Prospectus, and KPMG does not undertake to update the information already contained in the KPMG Reports. KPMG has subsequently consented to inclusion of extracts of the KPMG Reports prepared by it in this Draft Red Herring Prospectus through its letter dated August 11, 2015 on the terms set out in the Addendum dated August 11, 2015 to the engagement letter. The KPMG Reports do not attest the capabilities of our Company nor do they make a recommendation to anyone for investment in the Company. KPMG has not performed an audit and does not express an opinion, or any other form of assurance. Further, comments in the KPMG Reports are not intended, nor should they be interpreted to be legal advice or opinion. While information obtained from the public domain or external sources (“**Information**”) has not been verified for authenticity, accuracy or completeness, KPMG has obtained Information, as far as possible, from sources generally considered to be reliable, inter alia, from the Census, the Telecom Regulatory Authority of India (“**TRAI**”) and the Internet and Mobile Association of India (“**IAMAI**”). KPMG does not guarantee the accuracy, adequacy or completeness of Information and is not responsible for any errors or omissions in the Information or for the results obtained from the use of such Information. While performing the work, KPMG has assumed the genuineness of all signatures and the authenticity of all original documents in respect of the information received by it. It has not independently verified the correctness or authenticity of the same. The KPMG Reports may make reference to “KPMG Analysis”; this indicates only that it has (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented. In accordance with its policy, KPMG disclaims all responsibility and liability for any costs, damages, losses, liabilities incurred by any third party including subscribers/users/transmitters/distributors in the Offer who uses or relies upon the KPMG Reports or extracts therefrom.

Indian Demographics for Matchmaking and Marriages

India is one of the world’s most populous countries with an estimated population of approximately 1.25 billion, which equates to 17.45% of the world population, according to the CIA Factbook.

Based on the Online Matchmaking Report, as of 2014, it is estimated that there were approximately 356 million individuals in India within the marriageable age bracket, being 18 to 35 years for females and 21 to 35 years for males, of whom 93 million were unmarried. Based on the Online Matchmaking Report, 63.00% of the unmarried population in India falls within the ages of 18 to 24 years, being the age group in which the majority of the Indian population gets married. In addition, approximately 40.00% and 60.00% of the 93 million unmarried individuals are located in urban and rural areas, respectively.

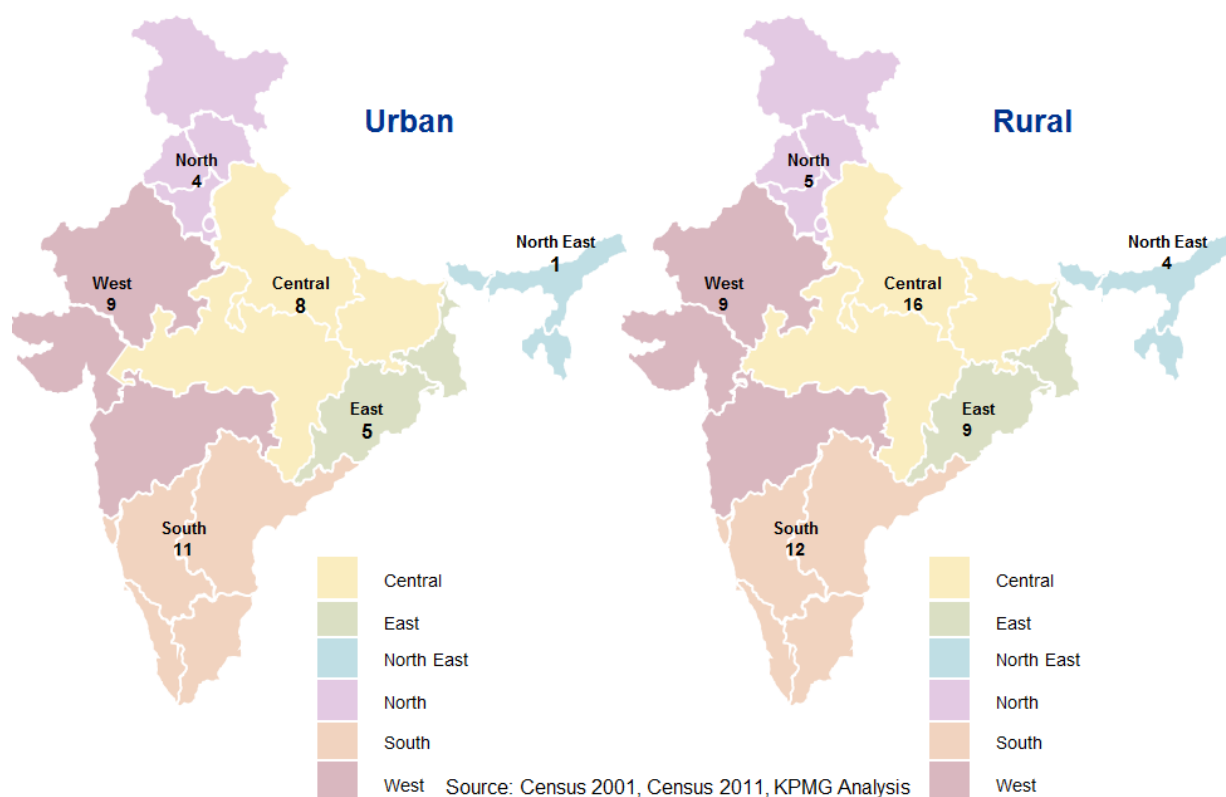
Based on the Marriage Services Report, it is also estimated that approximately 65.00% of the Indian population is under 35 years. The young base will get married in the next two decades and result in an average of 10 to 12 million weddings per year until fiscal 2025.

All figures for 2014E (In millions)	India	Urban	Rural
Total Population ¹	1,259	390	869
Target Population (18 to 35 Female & 21 to 35 Male)	356	119	237
A. 21 to 35 years – Male	166	56	110
B. 18 to 35years – Female	190	63	127
C. Unmarried ² population from A + B	93	39	54
D. Unmarried – Male (21 to 35 years)	54	22	32
E. Unmarried – Female (18 to 35 years)	39	16	23

Source: Census 2001, Census 2011, KPMG Analysis

- ¹Total population for year 2014 has been extrapolated for census 2011 age data, table C2
- ²The estimates for never married, divorced, separated and widowed people has been extrapolated from 2001 census
- ²Unmarried population includes people who are never married, divorced, separated and widowed
- Religion spread in India – 81% Hindu, 14% Islam, 2.3% Christian, 2.7% - others
- Urban - Minimum population of 5,000; Minimum density of 400 per sq. km; Minimum 75% of male workers in non-agriculture pursuits; all non urban are classified as rural

There is an even spread of unmarried individuals between urban and rural areas in North, West and South India while the spread of unmarried individuals in East, North-east and Central India is skewed towards the rural areas.



Overview of Matchmaking Industry in India

Matchmaking has traditionally been a very fragmented and unorganized industry in India, with friends and family being the predominant channel of matchmaking. Other offline channels of matchmaking include traditional matchmakers/brokers, community marriage bureaus, pundits/maulvis/priests and classifieds (prints).

The online matchmaking industry is still at a nascent stage and accounts for approximately 4.00% of marriages in India. The online matchmaking industry in India is also a very fragmented market with over 2,600 wedding portals, only a handful of players of which have some scale and 700 of which are an extension of the community bodies which traditionally played a major role in alliance and matchmaking (source: http://www.business-standard.com/article/companies/booming-biz-of-online-marriages-11122200022_1.html).

According to the comScore Report, Matrimony.com is the leader for online matchmaking services in India in terms of the average number of website pages viewed by unique visitors.

<u>Month</u>	<u>Website</u>	<u>Unique visitors ('000s)</u>	<u>Time spent (minutes) (millions)</u>	<u>Total pages viewed (millions)</u>	<u>Average pages per visitor</u>	<u>Average minutes per visitor</u>	<u>Unique visitors × Average pages per visitor ('000s)</u>
May-15	Matrimony.com*	1615	111	276	171	69	275,706
May-15	Shaadi	1277	56	156	122	44	156,000
May-15	Jeevansathi	546	24	49	90	44	49,000
							481,706
Mar-15	Matrimony.com*	1795	95	283	158	53	283,106

<u>Month</u>	<u>Website</u>	<u>Unique visitors</u> <u>('000s)</u>	<u>Time spent</u> <u>(minutes)</u> <u>(millions)</u>	<u>Total pages</u> <u>viewed</u> <u>(millions)</u>	<u>Average</u> <u>pages per</u> <u>visitor</u>	<u>Average</u> <u>minutes</u> <u>per</u> <u>visitor</u>	<u>Unique visitors ×</u> <u>Average pages per</u> <u>visitor</u> <u>('000s)</u>
Mar-15	Shaadi	1341	58	154	115	43	154,000
Mar-15	Jeevansathi	616	26	54	88	42	54,000
							491,106
Sep-14	Matrimony.com*	1518	80	232	153	53	232,460
Sep-14	Shaadi	1177	40	118	100	34	118,298
Sep-14	Jeevansathi	527	21	48	90	10	47,528
							398,286
Mar-14	Matrimony.com*	2030	104	301	148	51	300,800
Mar-14	Shaadi	1781	53	130	73	30	129,724
Mar-14	Jeevansathi	773	31	82	106	10	81,927
							512,451
Sep-13	Matrimony.com*	2077	106	270	130	51	269,630
Sep-13	Shaadi	2751	62	129	47	23	128,586
Sep-13	Jeevansathi	956	36	80	84	10	80,010
							478,226

Source: comScore Matrimony Data (2012-2015)

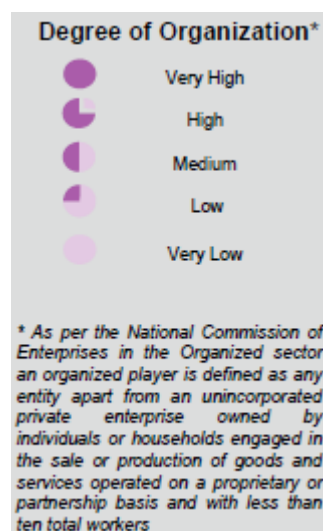
* Matrimony.com data does not include data from all sites under Matrimony.com

Overview of Marriage Services Industry in India

The majority of the categories of marriage services in India are unorganized and highly fragmented, presenting a potential opportunity for an organized aggregator to provide these services.

Degree of Organization for Service Providers

Category	Definition	Operating Model	Industry Structure
Venue	Physical area where various wedding ceremonies take place; could be indoor/outdoor	- Split into indoor (hotels, banquet halls) and outdoor (farmhouses/part plots) booked directly/ via contractors - No. of guests is a key driver	
Decorations	Includes floral, lighting and stage decorations	- Largely unorganized market with high vendor fragmentation - Generally venue plus decoration package offered	
Catering	Involves all elements of food from starters to main course to dessert either in buffet or sit-down system	- For hotel banquets, catering is of hotel itself otherwise independent caterers hired - Rates decided by menu chosen and head count	
Photography	Photography includes all variants of photos and videos	Largely unorganized market	
Gifts	Includes both gifts given by host to the guests	- Both traditional and modern day gifts are provided - Largely unorganized local market caters to demand	
Entertainment	DJ, bands, orchestra, any celebrity performers or family performances	Direct approach by client is minimal; sourcing done via wedding planners/contractors	
Travel	Includes accommodation and intercity and local travel of outstation guests	- Planners/Contractors have tie-ups with local agencies - Intercity travel and local travel facilities offered at discount	
Honeymoon	Domestic/International travel and stay of married couple	Standard honeymoon packages offered by agencies with tie-ups with planners at discounted rates	
Beautician	Make-up artists for bridal and other make-up	Based on personal relationships or references from wedding planners	
Wedding Planners/Marriage Contractors	Aggregator of marriage services who liaises with marriage service providers to arrange a wedding	Based on personal relationships or references	



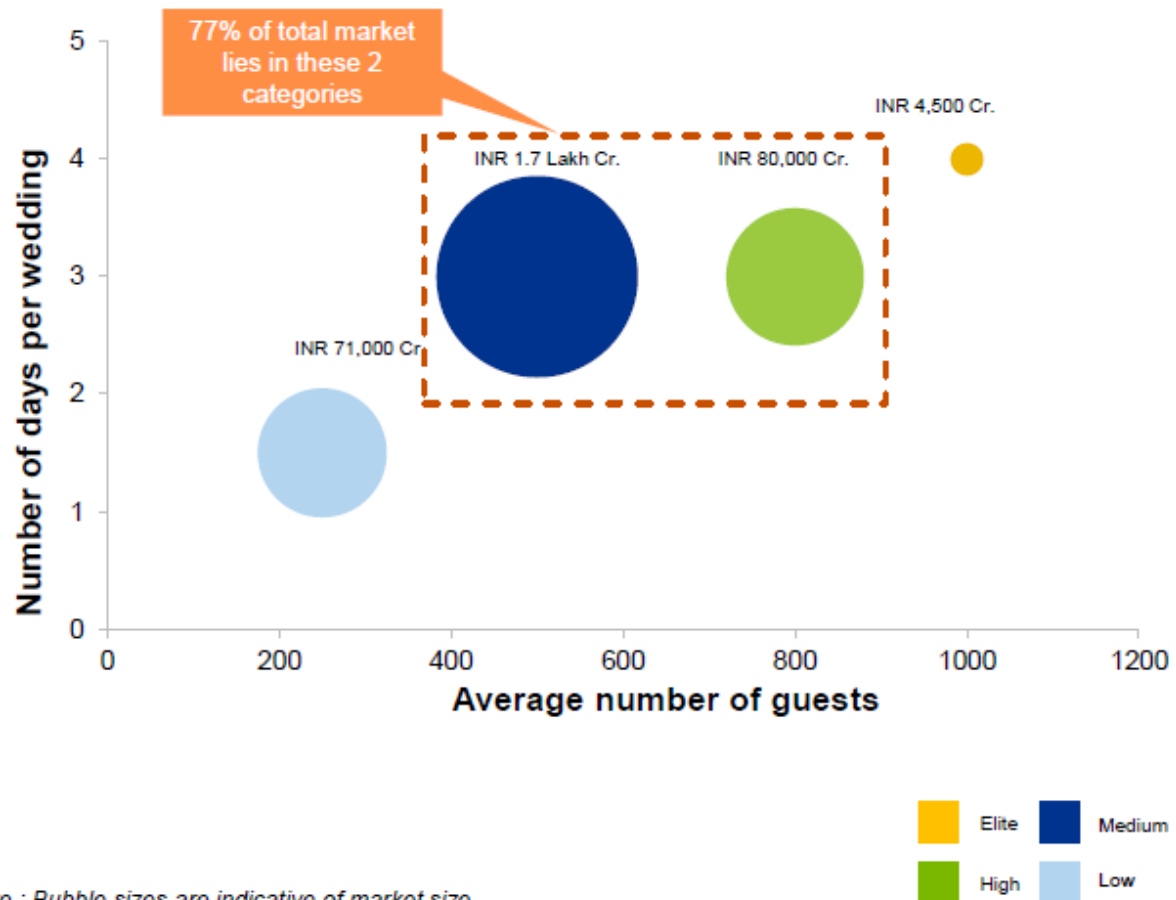
Source: Marriage Services Report.

There is a huge disparity in income levels and prosperity across different regions in India. The disparity in income requires Indian service providers to be flexible with respect to the various pricing options for marriage services.

Besides the regional differences, Indian wedding spend is driven by three key parameters, which are number of guests, number of days and income level. Indian wedding spend can be classified into four major categories – Elite, High, Medium and Low.

Guests	No. of days	Income Category*	Spend
Elite			
1000-1500	4-7 days	High Networth Individuals	More than INR 1 Cr
High			
600 - 1000	3-4 days	SEC A1,A2	INR 15- 25 Lakhs
Medium			
400-600	2-3 days	SEC B1,B2, C1	INR 6-10 Lakhs
Low			
100-300	1-2 days	SEC B2 ,C1, C2, D1, D2,	INR 1-2 Lakhs
Note : For Rural Income Category, new SEC classification has been used whereas for Urban the old SEC classification has been retained			

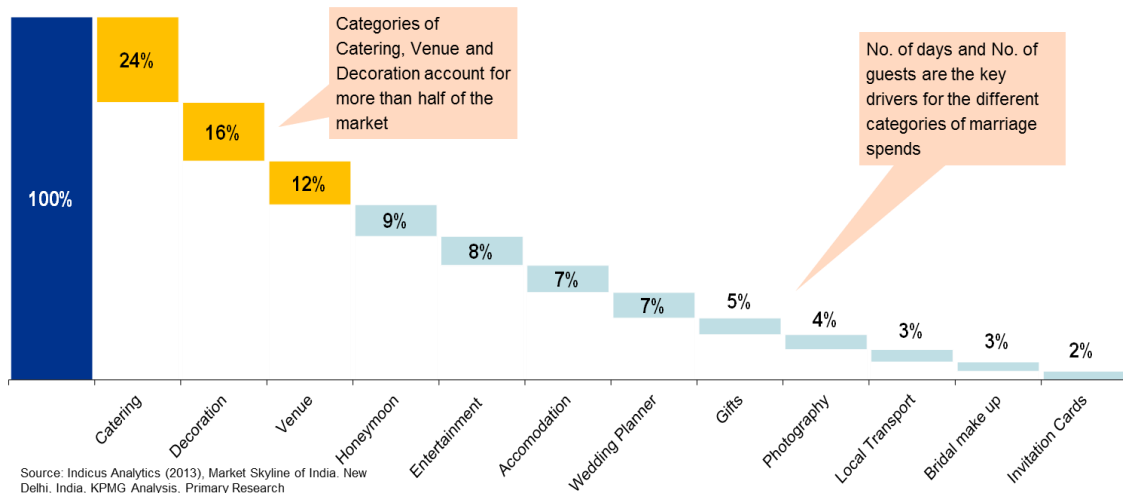
Source: Marriage Services Report.



Source: Indicus Analytics (2013), Market Skyline of India. New Delhi, India, KPMG Analysis, Primary Research

According to the Marriage Services Report, the marriage services industry in India is estimated to be worth ₹ 3,290 billion in fiscal 2014, with catering, decoration, venue, gifts and photography accounting for approximately 61.00% of marriage services spends in fiscal 2014.

Estimated Percentage of Spends on Marriage Services (FY 2014)



Source: Indicus Analytics (2013), Market Skyline of India, New Delhi, India, KPMG Analysis, Primary Research

Estimated Total Spend by Marriage Services Category (in INR Crs)

Total	Catering	Decoration	Venue	Honeymoon	Entertainment	Accommodation	Wedding Planner	Gifts	Photography	Local Transport	Beauty and Make-Up	Invitation Cards
3,29,000	77,618	53,497	39,621	28,577	26,432	24,608	23,524	15,101	13,292	11,338	8,400	7,874

Source: Indicus Analysis (2013), Market Skyline of India, New Delhi, India, KPMG Analysis, Primary Research.

SUMMARY OF BUSINESS

The information in this section should be read together with the financial and other information included in this Draft Red Herring Prospectus. Data included in this section in relation to key business metrics has been reviewed and verified by R.G.N. Price & Co., a firm of Chartered Accountants, and is included in their report dated August 11, 2015 (the “**Key Business Metrics Report**”). The information in this section is also derived from other sources including the Internet World Stats statistics available at <http://www.internetworldstats.com>; traffic share distribution from July 2013 to May 2015 for Matrimony.com, Jeevansathi and Shaadi compiled by comScore Technologies India Private Limited (the “**comScore Report**”); and the industry reports dated November 21, 2014 entitled “Market Size Estimation of Online Matrimony Market” (the “**Online Matchmaking Report**”) and “Market Assessment of Marriage Services Market” (the “**Marriage Services Report**”) and together with the Online Matchmaking Report, the “**KPMG Reports**”) prepared by KPMG, an independent management consultant, pursuant to an engagement with the Company. The KPMG Reports contain disclaimers and scope limitations pertaining to the work performed by it, a summary of which is set out below. The KPMG Reports should be referred to for the full text of the disclaimers and scope limitations.

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Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the 12-month period ended March 31 of that year.

Overview

Our business comprises three segments – matchmaking services, marriage services and related sale of products and other services which include our mobile-only relationship app, “Matchify”.

According to the comScore Report, we are the leading provider of online matchmaking services in India in terms of the average number of website pages viewed by unique visitors in May 2015 (Matrimony.com data does not include data from all sites under Matrimony.com). We deliver matchmaking services to our users in India and the Indian diaspora through our websites, mobile sites and mobile apps complemented by our on-the-ground network in India. Our brand, BharatMatrimony.com, has been ranked as India’s most trusted online matrimony brand by The Brand Trust Report India Study 2014 (a study covering 20,000 brands across 16 cities) and we believe that our other

matchmaking brands such as CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com are well-established in India.

According to the Online Matchmaking Report, there were approximately 93 million unmarried individuals in India within the marriageable age bracket in 2014, being 18 to 35 years for females and 21 to 35 years for males. It is estimated that approximately 71 million marriages will take place in India from 2015 to 2020. In addition, it is estimated that as of July 1, 2014, there were approximately 243 million Internet users (being individuals, of any age, who can access the Internet at home, via any device type (PC or mobile) and connection) in India, with an Internet penetration of 19.19%, compared to approximately 86.75% in the United States and 46.03% in China (source: <http://www.internetlivestats.com/>). According to the Online Matchmaking Report, the number of Internet users in India is expected to reach over 500 million users by fiscal 2018, which would increase the penetration level to slightly under 40.00% of the Indian population. Our leading position in the online matchmaking market in terms of the average number of website pages viewed by unique visitors in May 2015 in India allows us to take advantage of this opportunity.

According to the United Nations Children's Fund, as of 2012, approximately 89.00% of marriages in India are arranged (source: "Arranged/Forced Marriage Statistics – Statistic Brain" 2014 Statistic Brain Research Institute, publishing as Statistic Brain. April 17, 2015 <http://www.statisticbrain.com/arranged-marriage-statistics/>). Such arranged marriages are largely facilitated by families, friends, community elders, priests or matchmaking agencies. However, increasing mobility of individuals in Indian society, increasing freedom of choice over key life decisions and the reach, choice, privacy, speed of communication and interaction provided by the online medium provide an opportunity for online matchmaking service providers like our Company. The younger generation in India is increasingly seeking to play a larger role in the decision-making process for their marriages. Online matchmaking service providers aim to bridge this gap and provide an online platform for arranged marriages whereby prospective brides and grooms and their families can both participate in the process of finding marriage partners.

As one of the first companies to provide online matchmaking services in India, we believe that we have an early mover advantage among consumers seeking online matchmaking services. As of March 31, 2015, we had a large database of profiles comprising 2.65 million active profiles (being profiles that have been published or logged in at least once during the prior 180-day period), which we believe creates a network effect that attracts more users to register or subscribe through our websites, mobile sites and mobile apps and also results in higher customer engagement, which in turn drives monetization of our user base and enables us to maintain a leading position in the online matchmaking market in India. According to the Key Business Metrics Report, in fiscal 2013, fiscal 2014 and fiscal 2015, we had 568,000, 571,000 and 647,000 paid subscriptions, respectively. We also believe that we have a high degree of brand recall and trust in India, as evidenced by the average number of our website pages viewed by unique visitors in May 2015 in the comScore Report (Matrimony.com data does not include data from all sites under Matrimony.com), and an efficient business model with low credit risk which has allowed us to fund the growth of our business primarily through internal accruals since fiscal 2009.

We differentiate ourselves from other players in India by following a micro-market strategy whereby we offer a range of targeted and customized products and services that are tailored to meet the requirements of customers based on their linguistic, religious, caste and community preferences as well as personalized matchmaking services such as AssistedMatrimony and EliteMatrimony. We leverage technology and analytics across all stages of the matchmaking process to drive acquisition of profiles, assist members in completing their profiles, validate profiles based on rules designed to remove inappropriate content in near real-time, identify appropriate channels of service for members and assist members in choosing the right packages, thereby helping in value creation and monetization. We believe that such technology and analytics are secure, scalable and analyze large volumes of data.

We intend to continue to invest in our mobile platform in view of the increasing mobile usage among users in India. To increase our footprint on the mobile platform, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows and intend to continue to expand our mobile offerings. For example, we have, through our subsidiary Matchify Services Private Limited, recently introduced a mobile-only relationship app, "Matchify", on the Android mobile platform.

According to the Marriage Services Report, the marriage services industry in India is estimated to be worth ₹ 3,290 billion in fiscal 2014, with catering, decoration, venue, gifts and photography accounting for approximately 61.00%

of marriage services spends in fiscal 2014. However, the majority of the categories of marriage services in India are unorganized and highly fragmented, presenting a potential opportunity for an organized aggregator to provide these services. In this regard, we are expanding into the growing marriage services market to complement and leverage off our online matchmaking services. For example, we have launched marriage services such as MatrimonyDirectory.com, a listing website for marriage-related directory services including listings for wedding venues, wedding planners, wedding cards and caterers, and have also recently introduced MatrimonyPhotography.com to provide wedding photography and videography services, which has been launched in Tamil Nadu and Kerala. According to the Marriage Services Report, it is expected that Indian weddings will become more elaborate and extravagant due to factors such as rising disposable incomes, the gradual shift towards convenience and the aspiration for personalized weddings, leading to an increase in wedding spend from customers. We believe that our proposed diversification beyond online matchmaking to marriage services, through the launch of marriage services initiatives, provides an opportunity for us to tap into this emerging segment. We believe that the provision of ancillary marriage services is an extension of our online matchmaking business and we will benefit from having a common customer base that has been acquired over the years through our online matchmaking business.

To support our online matchmaking services and marriage services initiatives, we have devoted resources to developing and maintaining our sales infrastructure, sought to develop innovative products and product features to enhance user experience through our research and development (“R&D”) efforts, instituted information security policies and established corporate governance policies and practices.

In fiscal 2013, fiscal 2014 and fiscal 2015, we generated consolidated total revenue of ₹ 1,887.83 million, ₹ 2,073.14 million and ₹ 2,428.41 million, respectively, of which ₹ 1,873.22 million, ₹ 1,988.55 million and ₹ 2,319.91 million, respectively, was attributable to our matchmaking services segment. Our restated consolidated profit before exceptional items, interest, tax, depreciation and amortization (EBITDA) was ₹ 161.99 million, ₹ 130.46 million and ₹ 178.08 million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively. Our restated consolidated profit before minority interest from continuing operations was ₹ 104.35 million in fiscal 2013 and our restated consolidated loss before minority interest from continuing operations was ₹ 91.35 million and ₹ 29.04 million in fiscal 2014 and fiscal 2015, respectively, which are largely attributable to certain exceptional item losses in fiscal 2014 and fiscal 2015.

Our Strengths

We believe that we are the leading online matchmaking services provider in India, which is attributable to the following competitive strengths:

Large Database of Profiles and Consequential Network Effect

We started offering our online matchmaking services in 2001. We believe that as one of the first companies to offer online matchmaking services in India, we have an early mover advantage among customers seeking online matchmaking services and this has enabled us to build a large database of profiles over several years. As of March 31, 2015, we had a database comprising 2.65 million active profiles, according to the Key Business Metrics Report. We believe that a large database of profiles, such as the one we have developed, maintained and grown over several years, requires considerable time and effort to establish and maintain, which creates a significant barrier to entry. We believe that our large database of profiles creates a consequential network effect that attracts more users to register or subscribe through our websites, mobile sites or mobile apps and also results in higher customer engagement on our websites, mobile sites and mobile apps, which in turn enables us to maintain a leading position in the online matchmaking market in India. According to the Key Business Metrics Report, in fiscal 2013, fiscal 2014 and fiscal 2015, we had 568,000, 571,000 and 647,000 paid subscriptions, respectively, and our average transactional value (“ATV”), being the total revenue earned (net of service tax) from our matchmaking services segment for the period divided by the total number of paid subscriptions for the period, was ₹ 3,325, ₹ 3,551 and ₹ 3,655, respectively. Further, the repository of information from our large database of profiles allows us to build a differentiated capability in providing our user base with an engaging user experience through analytics.

Micro-Market Strategy and Customized or Personalized Services

We recognize that our customers are making important life decisions and in this regard, we have adopted a micro-market strategy whereby we offer a range of targeted and customized products and services that are tailored to meet the specific requirements of customers based on their religious or caste preferences or other criteria such as marital status and age bracket. For example, we cater to the needs of various communities through CommunityMatrimony, a consortium of various matrimony portals comprising more than 300 community matrimony sites.

We also provide personalized matchmaking services through relationship managers to users through EliteMatrimony and AssistedMatrimony. We believe that our micro-market strategy differentiates us from other players in India and enables us to grow in a fragmented and unorganized industry that has historically been difficult to monetize in a sustainable manner at scale.

Strong Consumer Brand

We believe that we have a high degree of brand recall and trust in India, as evidenced by the average number of our website pages viewed by unique visitors in May 2015 in the comScore Report (Matrimony.com data does not include data from all sites under Matrimony.com). BharatMatrimony.com has been ranked as India's most trusted online matrimony brand by The Brand Trust Report India Study 2014 (a study covering 20,000 brands across 16 cities) and has been featured in the Limca Book of Records for record number of documented marriages online. Based on a study on India's online landscape, the online research firm, JUXT, certified BharatMatrimony.com as the most used matrimonial search website in 2013-2014 by Indian online consumers. We believe that a quality database is important in the online matchmaking business and is critical to building trust with users. We invest efforts and resources in maintaining and continuously improving the quality of our database. For example, all of our member profiles are authenticated by mandatory mobile number verification and registered members have an option to add "Trust Badges" to their profiles, such as the "Identity Trust Badge" which is activated by uploading a copy of any specified government-issued identity proof to add credibility to their profiles.

Wide On-the-Ground Network for Customer Acquisition and Support

As of March 31, 2015, we had 193 retail centers distributed across India where potential or existing customers can walk in and seek the assistance of retail executives to register on our websites and/or make payment for the matchmaking product or service of their choice. In addition, as of March 31, 2015, we had service delivery centers in 12 cities where service teams provide services such as reaching out to our members to educate them of the features and facilities available on our websites, mobile sites and mobile apps to assist them in making better use of our online matchmaking services and choosing the most appropriate service and subscription package based on their requirements, assisting with doorstep collection and assisting customers in making payments. We believe that our on-the-ground network of retail centers and service team helps in the customer education process, builds trust among our customers and drives monetization by encouraging existing free members to take up paid subscriptions.

Robust Technology and Analytics

We leverage technology and analytics across all stages of the matchmaking process such as acquisition and registration of profiles, validation, mutual discovery process and member contact. Technology and analytics are used extensively to drive acquisition of profiles, assist members in completing their profiles, validate profiles based on rules designed to remove inappropriate content in near real-time, identify appropriate channels of service for members and assist members in choosing the right packages, thereby helping in value creation and monetization. We employ business intelligence, data warehousing, data analytics with IBM Unica systems for campaign management, big data analysis and search algorithms development to provide fast and responsive service to our customers. Matrimony.com's Intelligent Matchmaking Algorithm ("MIMA") is a real-time recommendation engine which we have developed in-house using mathematical rules and machine learning systems that recommends appropriate profiles to members, thereby enhancing user experience. In 2015, we received a certificate of excellence from the National Association of Software and Services Companies ("NASSCOM") for "innovative application of analytics for business solution". In addition, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows. As of March 11, 2015, our BharatMatrimony Android mobile app has achieved one million installs according to www.androidrank.org. A significant number of our members currently

utilize our mobile sites and mobile apps for online matchmaking. According to the Key Business Metrics Report, in June 2015, 67.00% of profile views, 55.00% of “Express Interest” messages, 35.00% of personalized messages sent and received and 38.00% of phone numbers viewed on our BharatMatrimony portals were undertaken through our mobile sites and mobile apps, and registrations through our mobile sites and mobile apps accounted for 44.00% of the total number of free profiles registered on our database. Our technologies and analytics are secure, scalable and analyze large volumes of data. Further, we have a technology team which works on innovating products to enhance features, mobile apps and product offerings for PC and mobile platforms.

Efficient Business Model

We believe that our business model is efficient and tailored for the Indian market. Members who subscribe for our paid online matchmaking packages are required to make payments in advance before they are able to access certain features and functionalities on our websites, mobile sites and mobile apps that are not available to free members, which we believe results in low credit risk in our matchmaking business. In addition, we have maintained focus on capital efficiency and have grown without incurring any material indebtedness, and have instead funded the growth of our business primarily through internal accruals since fiscal 2009.

Our Strategy

To sustain our future growth and development, we have employed and will continue to employ the following strategies:

Expand Our User Base

According to the Online Matchmaking Report, the online matchmaking industry is still at a nascent stage in India and accounts for only 4.00% of marriages in India, providing a significant opportunity to grow in this space. In 2014, there were approximately 58.50 million individuals in India actively seeking prospective marriage partners and approximately 93 million unmarried individuals in India within the marriageable age bracket in 2014, being 18 to 35 years for females and 21 to 35 years for males. It is estimated that the population within the marriageable age bracket in India is expected to grow at an average rate of 0.92% until 2020 and that approximately 71 million marriages will take place in India from 2015 to 2020. To take advantage of this opportunity, we intend to continue to drive profile registrations and expand our user base by enhancing our user experience and engagement to ensure that existing users continue to visit, and new users are attracted to visit, our websites, mobile sites and mobile apps and that both existing free users and new users subscribe to our paid services. This is important since we lose members on an ongoing basis once they have found suitable matches and we believe that our online matchmaking websites, mobile sites and mobile apps will only be attractive to users if we maintain a large database of profiles of prospective brides and grooms. To enhance our user experience, we intend to enhance the utility, features and verification processes of our existing products and services and create new products and services customized for diverse groups of users based on their geographic location, interests and other criteria. We also intend to deepen our geographic penetration across all parts of India and continue to drive registrations through our mobile platform.

Continue Investments in Mobile Platform

We intend to continue to invest in our mobile platform in view of the increasing mobile usage among users in India. It is estimated that mobile Internet penetration in India will grow at an average CAGR of 25.00% to reach 519 million users by fiscal 2018 (source: <http://timesofindia.indiatimes.com/tech/tech-news/India-to-have-519-million-mobile-internet-users-by-FY18-Morgan-Stanley/articleshow/36656019.cms>). A significant number of our members currently utilize our mobile sites and mobile apps to access our online matchmaking services. According to the Key Business Metrics Report, in June 2015, 67.00% of profile views, 55.00% of “Express Interest” messages, 35.00% of personalized messages sent and received and 38.00% of phone numbers viewed on our BharatMatrimony portals were undertaken through our mobile sites and mobile apps, and registrations through our mobile sites and mobile apps accounted for 44.00% of the total number of free profiles registered on our database.

To increase our footprint on the mobile platform, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows and intend to continue to expand our mobile offerings. For example, we have,

through our subsidiary Matchify Services Private Limited, recently introduced a mobile-only relationship app, “Matchify”, on the Android mobile platform, which focuses on the mobile dating space in India and seeks to help users find a match closer to their location and interest. We aim to provide our users with a rich mobile experience and all features and functionalities available on our websites will similarly be made available on our mobile sites and mobile apps. As of March 11, 2015, our BharatMatrimony Android mobile app has achieved one million installs according to www.androidrank.org.

Drive Monetization

We intend to drive monetization of our existing user base by increasing the value of our network through expanding our user base, improving the quality of user profiles and improving the ease of searching profiles and the quality of search results and responses. We aim to do these by investing in technology to make our websites, mobile sites and mobile apps more user-friendly, continuously improving on existing products and services and creating more relevant new products and services, improving the quality of user profiles by encouraging users to include photographs and complete profile information through marketing campaigns, and developing better matchmaking algorithms (in addition to our existing MIMA algorithm) to ensure more relevant matches in searches. We intend to further drive monetization of our user base by increasing the use of analytics to identify prospective users who may opt for paid subscription.

We believe that an experienced and well-trained service team is also critical to our efforts to drive monetization. In this regard, we intend to devote resources towards developing and expanding our sales infrastructure to provide quality support to our users. Our service team assists users with registration, profile completion, search and making better use of our websites, mobile sites or mobile apps and also informs registered members on the benefits of paid subscription. If a member opts for paid subscription, our service team assists them in selecting an appropriate subscription package and payment channel. Further, we intend to invest resources in developing and training our collection team to collect efficiently and upsell. Through these means, we aim to encourage users to convert from free membership to paid subscriptions and also to upsell packages to, and improve renewals among, existing paid users.

Further Strengthen Our Brands

Our brands constitute an important asset and we intend to continue to take steps to further develop and enhance our brands, especially BharatMatrimony.com, CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com, through activities such as television advertising, online advertising and social media advertising. For details in relation to some of our proposed advertising and brand-building activities, see the section titled “*Objects of the Offer*” on page 108. Our BharatMatrimony “Happy Marriage” television commercial was voted among the top 10 advertisements of 2013 by the brand equity editorial panel of a leading business newspaper in India, The Economic Times and also won a special jury mention for gender sensitivity (2013-2014) at The National Laadli Media and Advertising Awards in 2015 for portraying women positively. We have spent 24.49%, 23.22% and 21.93% of our total consolidated revenue in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, on advertisement and business promotion expenses, and we will continue to spend a significant portion of our revenue on promotional and marketing activities. We believe that such efforts will enhance the visibility of our brands, drive registration levels and result in increased conversion to paid subscriptions, which will consequently enable us to retain our leading position in the online matchmaking services market in India as well as maintain our position as the most used online matchmaking website in India.

Continue to Expand into Marriage Services

A key strategy for driving monetization is to increase the length of our relationship with our customers and increase the amount of revenue earned from our customers by offering additional marriage services to our online matchmaking user base. According to the Online Matchmaking Report, the marriage services industry in India is estimated to be worth ₹ 3,290 billion in fiscal 2014, with catering, decoration, venue, gifts and photography accounting for approximately 61.00% of marriage services spends in fiscal 2014. However, the majority of the categories of marriage services in India are unorganized and highly fragmented, presenting a potential opportunity for an organized aggregator to provide these services. In this regard, we have leveraged our brands, user activity on our platforms and our online matchmaking client base to diversify into marriage services to take advantage of the

lack of organized services in this fragmented market. We intend to continue to invest in building our marriage services verticals, with a focus on adjacent areas with a synergy with our core online matchmaking business, to target our existing online matchmaking clients and also clients who require marriage services. Marriage services that we have introduced in recent years include MatrimonyDirectory.com for marriage-related directory services and MatrimonyPhotography.com to provide wedding photography and videography services and we have also introduced Tambulya.com, an online marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts for weddings and other occasions on a bulk order basis.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Financial Statements. These Financial Statements have been prepared in accordance with Indian GAAP, the Companies Act, 1956, to the extent applicable, the Companies Act, 2013 and the SEBI Regulations and are presented in the section titled “*Financial Information*” on page 209

The consolidated and unconsolidated summary financial information presented below should be read in conjunction with Financial Statements, the notes thereto and the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 232.

Restated Consolidated Financial Information of Assets and Liabilities

(All amounts are in INR million unless otherwise stated)

	Particulars	As at				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
	Equity and liabilities					
A	Shareholders’ funds					
	Share capital	91.93	59.38	59.38	59.38	0.76
	Reserves and surplus	(101.23)	(81.28)	10.31	(89.56)	6.92
		(9.30)	(21.90)	69.69	(30.18)	7.68
B	Minority Interest	2.49	2.24	2.00	1.75	1.60
C	Non-current liabilities					
	Long term borrowings	5.02	-	-	-	-
	Other long term liabilities	34.82	52.44	0.25	0.06	0.11
	Long term provisions	15.01	12.29	11.10	9.12	6.30
		54.85	64.73	11.35	9.18	6.41
D	Current liabilities					
	Short-term borrowings	267.27	148.13	254.98	87.93	23.96
	Trade payables	226.49	229.82	194.90	248.09	159.60
	Other current liabilities	443.20	381.97	318.16	297.21	201.63
	Short term provisions	46.90	25.77	51.89	49.20	41.77
		983.86	785.69	819.93	682.43	426.96
	Total Equity and liabilities (A+B+C+D)	1,031.90	830.76	902.97	663.18	442.65
	Assets					
E	Non-current assets					
	Fixed assets					
	Tangible assets	162.28	158.39	152.22	121.46	83.55
	Intangible assets	74.45	34.61	24.64	29.58	6.00
	Intangible assets under development	2.87	43.14	2.26	2.41	0.65
	Goodwill	0.39	0.39	0.39	0.39	0.39
	Non-current investments	-	0.30	0.30	-	-
	Long term loans and advances	123.63	145.91	137.52	101.01	75.96
		363.62	382.74	317.33	254.85	166.55
F	Current assets					
	Inventory	-	3.85	1.28	0.33	-
	Trade receivables	10.20	15.52	13.15	21.44	22.59
	Cash and bank balances	531.24	373.04	318.29	335.47	227.39

	Particulars	As at				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
	Short term loans and advances	92.11	51.87	249.45	41.75	25.96
	Other current assets	34.73	3.74	3.47	9.34	0.16
		668.28	448.02	585.64	408.33	276.10
	Total Assets (E+F)	1031.90	830.76	902.97	663.18	442.65

Restated Consolidated Financial Information of Profits and Losses

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Income from continuing operations					
Revenue from operations					
Matchmaking services	2,319.91	1,988.55	1,873.22	1,459.51	1,009.02
Marriage services	73.50	50.74	9.93	-	-
Sale of products – return gifts	20.71	15.09	2.92	0.37	-
Other services	-	-	-	4.25	3.76
Other income	14.29	18.76	1.76	3.26	4.90
Total revenue	2,428.41	2,073.14	1,887.83	1,467.39	1,017.68
Expenses					
Purchase of traded goods	15.10	12.78	3.40	0.52	-
Increase / (decrease) in inventories of traded goods	3.85	(2.57)	(0.95)	(0.33)	-
Employee benefit expenses	1,059.28	878.89	750.91	541.59	358.76
Advertisement and business promotion expenses	532.52	481.38	462.40	459.16	365.42
Other expenses	639.58	572.20	510.08	376.27	252.74
Total expenses	2,250.33	1,942.68	1,725.84	1,377.21	976.92
Restated earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA)	178.08	130.46	161.99	90.18	40.76
Depreciation and amortisation expense	81.67	56.36	64.69	38.40	20.88
Finance cost	15.71	8.22	14.01	2.91	17.82
Finance income	(32.14)	(31.78)	(39.66)	(21.28)	(3.11)
Restated earnings before exceptional items, tax and minority interest from continuing operations	112.84	97.66	122.95	70.15	5.17
Less: Exceptional items	141.78	188.97	18.58	(1.00)	-
Restated profit / (loss) before tax and minority interest from continuing operations	(28.94)	(91.31)	104.37	71.15	5.17

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Tax expense					
Current tax	0.10	0.04	0.02	0.06	0.07
Total tax expense	0.10	0.04	0.02	0.06	0.07
Restated profit / (loss) before minority interest from continuing operations (A)	(29.04)	(91.35)	104.35	71.09	5.10
Discontinuing operations					
Restated loss before tax from discontinuing operations	-	-	-	(108.80)	(21.72)
Tax expense relating to discontinuing operations	-	-	-	-	-
Restated loss after tax from discontinuing operations before minority interest (B)	-	-	-	(108.80)	(21.72)
Minority interest	0.25	0.24	0.25	0.15	0.09
Restated profit / (loss) for the year (A+B)	(29.29)	(91.59)	104.10	(37.86)	(16.71)

Restated Consolidated Financial Information of Cash Flows

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES					
Net profit before taxation from continuing operations before exceptional items (as restated)	112.84	97.66	122.95	70.15	5.17
Net loss before taxation from discontinued operations (as restated)	-	-	-	(108.80)	(21.72)
Adjustments to reconcile profit / (loss) before tax to net cash flows					
Depreciation and amortisation	81.67	56.36	64.69	38.94	22.41
Loss on disposal of fixed assets (net)	9.71	8.09	5.31	6.60	-
Provision for doubtful debts and advances	10.14	1.05	0.38	13.00	7.68
Unrealised foreign exchange loss (net)	(1.50)	(3.88)	0.18	0.30	0.59
Profit on sale of non-current investments (net)	(4.46)	-	(13.07)	(1.00)	-
Provision for EPF litigation	16.29	-	-	-	-
Liabilities no longer required written back	(1.05)	(5.90)	(0.56)	(2.34)	(4.35)
Interest expense	14.49	7.07	12.71	1.19	1.15
Interest income	(32.14)	(31.78)	(39.66)	(21.28)	(3.11)
Operating profit / (loss) before working capital changes (as restated)	205.99	128.67	152.93	(3.24)	7.82
Movement in working capital					
(Increase)/decrease in Trade receivables	(4.83)	(2.48)	8.35	(11.00)	(10.02)
(Increase)/decrease in Long term loans and advances	25.12	3.51	(43.11)	(20.09)	(26.78)
(Increase)/decrease in Short term loans and advances	(37.68)	(14.51)	(10.34)	(15.80)	(1.16)
(increase)/decrease in Inventories	3.85	(2.57)	(0.95)	(0.33)	-
(Increase)/decrease in Other current assets	(16.69)	(0.26)	4.21	(4.21)	-
Increase/(decrease) in Trade payables	(0.87)	53.42	(40.02)	83.72	44.41
Increase/(decrease) in Long / short term provisions	23.84	(24.92)	7.03	10.26	9.47
Increase/(decrease) in Other current liabilities	20.93	69.17	39.37	95.58	60.49
Increase/(decrease) in Other non-current liabilities	11.23	(0.10)	0.19	(0.04)	(0.05)
Cash flow from operations	230.89	209.93	117.66	134.85	84.18
Income taxes paid (net of refunds)	(2.93)	(8.72)	5.65	(3.39)	(2.70)
Net cash generated from operating activities before exceptional items	227.96	201.21	123.31	131.46	81.48
Cash flow from / (used in) Exceptional items	(144.62)	(153.06)	(18.60)	1.00	-
Net cash generated from operating activities (A)	83.34	48.15	104.71	132.46	81.48

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES					
Purchase of fixed assets including intangible	(102.67)	(123.25)	(102.10)	(103.29)	(61.19)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
assets, and capital advances					
Investment in redeemable preference shares	-	(50.00)	-	-	-
Redemption of redeemable preference shares	-	50.84	-	-	-
Proceeds from sale of fixed assets	2.23	1.51	0.42	1.23	0.03
Proceeds from sale of non-current investments / disposal of subsidiaries	2.20	-	0.14	1.07	-
Interest received	17.84	28.38	37.34	14.18	4.82
Investment in bank deposits (with maturity more than three months)	(67.90)	(53.54)	3.48	(99.93)	(144.64)
Net cash used in investing activities (B)	(148.30)	(146.06)	(60.72)	(186.74)	(200.98)
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES					
Proceeds from issue of share capital	42.77	-	-	-	134.19
Advance (given) / repaid (to) by enterprises in which directors are interested	-	211.25	(211.25)	-	-
Proceeds from long-term borrowings (net)	8.21	-	-	-	-
Proceeds / (repayment) short-term borrowings (net)	115.94	(106.85)	167.05	63.97	(8.28)
Interest paid	(14.49)	(7.07)	(12.71)	(1.19)	(1.15)
Net cash generated from / (used in) financing activities (C)	152.43	97.33	(56.91)	62.78	124.76
Net increase / (decrease) in cash and cash equivalents (A+B+C)	87.47	(0.58)	(12.92)	8.50	5.27
Effect of exchange differences on Cash & Cash Equivalents held in foreign currency	2.84	1.79	0.17	(0.35)	-
Cash and Cash Equivalents at the beginning of the year	22.42	21.21	34.91	26.76	21.49
Cash and Cash Equivalents transferred pursuant to demerger	-	-	(0.95)	-	-
Cash and cash equivalents at the end of the year	112.73	22.42	21.21	34.91	26.76

Restated Consolidated Financial Information of Cash Flows (continued)

Components of Cash and Cash Equivalents	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Cash on hand	5.86	5.25	3.47	3.13	2.63
Cheques on hand	3.61	3.56	1.58	1.37	1.16
Deposits with original maturity of less than three months	30.00	-	-	-	-
Balances with banks on current accounts	73.26	13.61	16.16	30.41	22.97
Total	112.73	22.42	21.21	34.91	26.76

Restated Unconsolidated Financial Information of Assets and Liabilities

(All amounts are in INR million unless otherwise stated)

	Particulars	As at				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
	Equity and Liabilities					
A	Shareholders' funds					
	Share capital	91.93	59.38	59.38	59.38	0.76
	Reserves and surplus	(106.03)	(70.81)	11.57	(78.79)	16.71
		(14.10)	(11.43)	70.95	(19.41)	17.47
B	Non-current liabilities					
	Long-term borrowings	5.02	-	-	-	-
	Other long term liabilities	34.78	52.40	0.21	0.02	0.05
	Long term provisions	12.84	10.50	8.09	6.80	4.69
		52.64	62.90	8.30	6.82	4.74
C	Current liabilities					
	Short-term borrowings	267.27	148.13	254.98	87.93	23.96
	Trade payables	208.42	209.62	182.40	236.29	151.45
	Other current liabilities	442.34	381.51	316.82	281.88	199.72
	Short term provisions	46.90	25.70	51.83	49.23	41.44
		964.93	764.96	806.03	655.33	416.57
	Total Equity and Liabilities (A+B+C)	1,003.47	816.43	885.28	642.74	438.78
	Assets					
D	Non-current assets					
	Fixed assets					
	Tangible assets	161.52	150.35	147.74	120.07	82.03
	Intangible assets	74.45	34.18	24.45	29.58	6.00
	Intangible assets under Development	2.64	43.13	2.22	2.39	0.65
	Non-current Investments	2.40	29.69	12.50	1.04	13.91
	Long term loans and advances	113.32	130.65	128.82	94.69	71.35
		354.33	388.00	315.73	247.77	173.94
E	Current assets					
	Trade receivables	11.33	16.25	14.94	25.21	24.97
	Cash and bank balances	524.90	367.74	307.79	324.43	215.95
	Short term loans and advances	78.18	40.70	243.35	35.99	23.76
	Other current assets	34.73	3.74	3.47	9.34	0.16
		649.14	428.43	569.55	394.97	264.84
	Total Assets (D+E)	1,003.47	816.43	885.28	642.74	438.78

Restated Unconsolidated Financial Information of Profits and Losses

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Income from continuing operations					
Revenue from operations					
Matchmaking services	2,319.91	1,988.55	1,873.22	1,459.51	1,009.02
Marriage services	73.50	50.74	9.93	-	-
Other income	12.92	20.89	3.29	5.30	11.43
Total revenue	2,406.33	2,060.18	1,886.44	1,464.81	1,020.45
Expenses					
Employee benefit expenses	1,031.64	845.02	718.16	516.28	335.22
Advertisement and business promotion expenses	554.57	513.00	516.38	497.51	395.24
Other expenses	595.35	565.52	487.62	361.07	241.39
Total expenses	2,181.56	1,923.54	1,722.16	1,374.86	971.85
Restated earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA)	224.77	136.64	164.28	89.95	48.60
Depreciation and amortisation expense	79.47	53.94	64.02	38.15	20.72
Finance cost	15.39	7.89	13.68	2.67	17.55
Finance income	(33.28)	(31.78)	(39.66)	(21.79)	(3.53)
Restated earnings before exceptional items and tax, from continuing operations	163.19	106.59	126.24	70.92	13.86
Less: Exceptional items	207.84	188.97	31.65	(1.00)	-
Tax expense	-	-	-	-	-
Restated profit / (loss) after tax from continuing operations (A)	(44.65)	(82.38)	94.59	71.92	13.86

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Discontinuing operations					
Restated loss before tax from discontinuing operations	-	-	-	(108.80)	(21.72)
Tax expense of discontinuing operations	-	-	-	-	-
Restated loss after tax from discontinuing operations (B)	-	-	-	(108.80)	(21.72)
Restated profit / (loss) for the year (A+B)	(44.65)	(82.38)	94.59	(36.88)	(7.86)

Restated Unconsolidated Financial Information of Cash Flows

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES					
Restated profit before tax from continuing operations before exceptional items	163.19	106.59	126.24	70.92	13.86
Loss before tax from discontinuing operations	-	-	-	(108.80)	(21.72)
Adjustment to reconcile profit / (loss) before tax to net cash flows					
Depreciation and amortisation	79.47	53.94	64.02	38.68	22.25
Loss on sale / scrap of fixed assets (net)	1.23	8.09	5.20	6.64	-
Unrealised foreign exchange loss / (gain)	(0.84)	(3.51)	0.27	0.59	0.10
Loss on disposal of subsidiary	65.60	-	-	-	-
Profit on sale of non-current investments	(4.00)	-	-	(1.00)	-
Provision for doubtful debts and advances	0.26	1.05	0.38	13.00	7.68
Provision for EPF litigation	16.29	-	-	-	-
Liabilities no longer required written back	(1.05)	(5.90)	(0.56)	(2.34)	(7.14)
Interest expense	14.49	7.07	12.69	1.19	1.15
Interest income	(33.28)	(31.78)	(39.66)	(21.79)	(3.11)
Operating profit / (loss) before working capital changes (as restated)	301.36	135.55	168.58	(2.91)	13.07
Movement in working capital					
(Increase) / decrease in Trade receivables	4.66	(2.49)	10.27	(9.15)	(6.41)
(Increase) / decrease in Short term loans and advances	(72.04)	(8.89)	2.97	(9.04)	6.98
(Increase) / decrease in Long term loans and advances	21.60	9.95	(42.47)	(19.53)	(27.04)
(Increase) / decrease in Other current assets	(16.69)	(0.26)	1.65	(4.11)	2.02
Increase / (decrease) in Trade payables	0.60	45.62	(40.07)	103.63	25.21
Increase in Other current liabilities	20.76	59.39	34.95	60.61	59.80
Increase / (decrease) in Other non-current liabilities	11.23	(0.10)	0.19	-	(0.11)
Increase / (decrease) in Long / short term provisions	23.53	(23.63)	6.26	9.61	8.63
Cash flow from operations	295.01	215.14	142.33	129.11	82.15
Income taxes paid (net of refunds)	(4.28)	(8.38)	3.42	(3.72)	(1.91)
Net cash generated from operating activities before exceptional items	290.73	206.76	145.75	125.39	80.24
Cash flow from / (used in) Exceptional items	(210.69)	(150.07)	(31.66)	1.00	-
Net cash generated from operating activities (A)	80.04	56.69	114.09	126.39	80.24

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES					
Purchase of fixed assets including intangible assets and capital advances	(98.23)	(109.39)	(98.15)	(109.08)	(61.34)
Proceeds from sale of fixed assets	0.86	1.51	0.42	0.38	0.03
Investment in redeemable preference shares	-	(50.00)	-	-	-
Redemption of redeemable preference shares	-	50.84	-	-	-
Purchase of non-current investments	(1.95)	(17.20)	(11.65)	(0.10)	-
Proceeds from disposal of non-current investments	2.20	-	0.14	1.07	-
Proceeds from redemption of debentures	-	-	-	12.90	-
Interest received	18.98	28.38	36.18	14.49	2.64
Investment in bank deposits (with maturity more than three months)	(67.90)	(53.54)	3.48	(99.93)	(144.64)
Net cash used in investing activities (B)	(146.04)	(149.40)	(69.58)	(180.27)	(203.31)
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES					
Proceeds from issue of equity share capital	42.77	-	-	-	-
Advance (given) / repaid (to) by enterprises in which directors are interested	-	211.25	(211.25)	-	-
Proceeds from long term borrowings (net)	8.21	-	-	-	-
Issue of preference shares	-	-	-	-	134.19
Proceeds from / (Repayment of) short term borrowings (net)	115.94	(106.85)	167.05	63.97	(8.16)
Interest paid	(14.49)	(7.07)	(12.69)	(1.19)	(1.15)
Net cash generated from / (used in) financing activities (C)	152.43	97.33	(56.89)	62.78	124.88
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	86.41	4.65	(12.40)	8.90	1.83
Effect of exchange differences on Cash & Cash Equivalents held in foreign currency	2.84	1.79	0.17	(0.35)	-
Cash and Cash Equivalents at the beginning of the year	17.12	10.71	23.87	15.32	13.51
Cash and Cash Equivalents transferred pursuant to demerger	-	-	(0.95)	-	-
Cash and Cash equivalents at the end of the year	106.39	17.12	10.71	23.87	15.32

Restated Unconsolidated Financial Information of Cash Flows (continued)

Components of Cash and Cash Equivalents	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Cash on hand	5.66	4.91	3.33	3.02	2.00
Cheques on hand	3.61	3.55	1.58	1.37	1.16
Deposits with original maturity of less than three months	30.00	-	-	-	-
Balances with banks on current account	67.12	8.66	5.80	19.48	12.16
Total	106.39	17.12	10.71	23.87	15.32

Auditor Qualifications

Our auditors have included qualifications with respect to matters specified in the Companies (Auditors Report) Order, 2015 / 2003, as amended, in the annexure to its report on our Audited consolidated and unconsolidated financial statements as of and for the financial years provided below. These qualifications do not require any corrective material adjustments in our Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements. We provide below, these qualifications as well as the Company's corrective steps in connection with these remarks:

Annexure to the Auditor's report on the consolidated financial statements for the Financial Year ended March 31, 2015

- The Auditors reported that the Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and in the immediately preceding financial year, the Company has incurred cash loss.

The losses incurred were in line with our strategy and business plans, which involves significant spending on marketing activities and infrastructure to expand our business, except for certain exceptional costs incurred on the US litigation. We have taken necessary steps to provide liquidity and raise additional funds, as and when required.

Annexure to the Auditor's report on the unconsolidated financial statements for the Financial Year ended March 31, 2015

- The Auditors reported that the Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and in the immediately preceding financial year, the Company has incurred cash loss.

The losses incurred were in line with our strategy and business plans, which involves significant spending on marketing activities and infrastructure to expand our business, except for certain exceptional costs incurred on the US litigation. We have taken necessary steps to provide liquidity and raise additional funds, as and when required.

Annexure to the Auditor's report on the unconsolidated financial statements for the Financial Year ended March 31, 2014

- The Auditors reported that there were slight delays in a few cases in the deposit of undisputed service tax.

Our Company has instituted a system to address such delays, which includes the tracking of due dates for payment of statutory dues, ensuring a daily check on payments due, monitoring of the payments made, and periodic training of the accounting staff on the various statutory requirements and due dates applicable to our Company.

- The Auditors reported that the Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has incurred cash losses in the current year.

The losses incurred were in line with our strategy and business plans, which involves significant spending on marketing activities and infrastructure to expand our business, except for certain exceptional costs incurred on the US litigation. We have taken necessary steps to provide liquidity and raise additional funds, as and when required.

Annexure to the Auditor's report on the unconsolidated financial statements for the Financial Year ended March 31, 2013

- The Auditors reported that there were slight delays in a few cases in the deposit of undisputed service tax.

Our Company has instituted a system to address such delays, which includes the tracking of due dates for payment of statutory dues, ensuring a daily check on payments due, monitoring of the payments made, and periodic training of the accounting staff on the various statutory requirements and due dates applicable to our Company.

- The Auditors reported that the Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth.

The losses incurred were in line with our strategy and business plans, which involves significant spending on marketing activities and infrastructure to expand our business, except for certain exceptional costs incurred on the US litigation. We have taken necessary steps to provide liquidity and raise additional funds, as and when required.

Annexure to the Auditor's report on the unconsolidated financial statements for the Financial Year ended March 31, 2012

- The Auditors reported that the Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth.

The losses incurred were in line with our strategy and business plans, which involves significant spending on marketing activities and infrastructure to expand our business. We have taken necessary steps to provide liquidity and raise additional funds, as and when required.

Annexure to the Auditor's report on the unconsolidated financial statements for the Financial Year ended March 31, 2011

- The Auditors reported that the Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth.

The losses incurred were in line with our strategy and business plans, which involves significant spending on marketing activities and infrastructure to expand our business. We have taken necessary steps to provide liquidity and raise additional funds, as and when required.

THE OFFER

The following table summarizes the Offer details:

Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million
<i>Of which:</i>	
Fresh Issue ⁽¹⁾	Up to [●] Equity Shares aggregating up to ₹ 3,500 million
Offer for Sale ⁽¹⁾	Up to 1,660,603 Equity Shares aggregating up to ₹ [●] million
By Bessemer India Capital Holdings II Ltd.	Up to 1,461,006 Equity Shares aggregating up to ₹ [●] million
By Draper Investment Company LLC	Up to 93,394 Equity Shares aggregating up to ₹ [●] million
By The Hartenbaum Revocable Trust U/A/D 02/03/06	Up to 23,369 Equity Shares aggregating up to ₹ [●] million
By Indrani Janakiraman	Up to 82,834 Equity Shares aggregating up to ₹ [●] million
Employee Reservation Portion ⁽²⁾	Up to [●] Equity Shares aggregating up to ₹ 2.50 million
Net Offer	Up to [●] Equity Shares
<i>The Net Offer consists of:</i>	
A. QIB Portion ⁽²⁾	At least [●] Equity Shares
<i>Of which:</i>	
Anchor Investor Portion*	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>Of which:</i>	
Mutual Fund Portion	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Portion ⁽²⁾	Not more than [●] Equity Shares
C. Retail Portion ⁽²⁾	Not more than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer, as on the date of this Draft Red Herring Prospectus ⁽³⁾	14,778,256 Equity Shares and 3,607,724 Investor CCPS
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of proceeds of this Offer	See the section titled “Objects of the Offer” at page 108. Our Company will not receive any proceeds from the Offer for Sale.

* Our Company in consultation with the Selling Shareholders and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see section titled “Offer Procedure” at page 393.

⁽¹⁾ The Fresh Issue has been authorized by a resolution of our Board dated July 30, 2015, and by a special resolution of our Shareholders at the EGM held on August 5, 2015. Bessemer India Capital Holdings II Ltd. and Draper Investment Company LLC have obtained approval for participation in the Offer for Sale pursuant to resolution of their board of directors dated July 22, 2015 and August 10, 2015 respectively and have provided their consent to offer up to 1,461,006 Equity Shares and 93,394 Equity Shares, respectively. The Hartenbaum Revocable Trust U/A/D 02/03/06 and Indrani Janakiraman has provided consent to offer up 23,369 Equity Shares and 82,834 Equity Shares, respectively in the Offer for Sale pursuant to their letter dated August 13, 2015 and August 8, 2015, respectively.

⁽²⁾ Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the

discretion of our Company, in consultation with the Selling Shareholders, the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. Balance Equity Shares arising out of under-subscription, if any, in the Employee Reservation Portion will be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted to be met with spill over from the Employee Reservation Portion, subject to compliance with Rule 19(2)(b) of the SCRR. Bidders applying in the Employee Reservation Portion can Bid for an amount of up to ₹ 200,000. Further, a Bidder bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids.

⁽³⁾ As on the date of this Draft Red Herring Prospectus, 3,607,724 Investor CCPS are outstanding. Prior to the filing of the Red Herring Prospectus with the RoC, such Investor CCPS shall be converted in to a total of 6,385,672 Equity Shares by our Company as per the terms of the Shareholders' Agreement, the Amendment Agreement and the Deed of Adherence.

The Equity Shares offered in the Offer for Sale have been held by the respective Selling Shareholders for a period of at least one year prior to the date of this Draft Red Herring Prospectus or have been received on conversion of fully paid-up compulsorily convertible shares of our Company and the continuous period of holding of the fully paid-up compulsorily convertible shares of our Company along with the resultant Equity Shares offered in the Offer for Sale is at least one year preceding the date of this Draft Red Herring Prospectus or were issued under a bonus issue (out of free reserves and/or share premium existing as at the end of the previous Financial Year and were not issued by utilization of revaluation reserves or unrealised profits of our Company) on Equity Shares held for a period of at least one year preceding the date of the Draft Red Herring Prospectus and hence are eligible for being offered for sale in the Offer.

For details including in relation to grounds for rejection of Bids, refer to the “*Offer Procedure- Grounds for Technical Rejections*” on page 406. For details of the terms of the Offer, see “*Terms of the Offer*” on page 383.

GENERAL INFORMATION

Our Company was incorporated as “Matrimony Services.com Private Limited”, a private limited company under the Companies Act, 1956 on July 13, 2001, at Chennai, Tamil Nadu. The name of our Company was subsequently changed to “Bharatmatrimony.com Private Limited” pursuant to a resolution passed by the shareholders of our Company on December 5, 2003. The fresh certificate of incorporation consequent to change of name was issued by the RoC on December 15, 2003. The name of our Company was further changed to “Consim Info Private Limited” pursuant to a special resolution of the shareholders of our Company dated August 30, 2007 and a fresh certificate of incorporation was issued by the RoC on September 27, 2007. Subsequently, the name of our Company was changed to “Matrimony.com Private Limited” pursuant to a special resolution of the shareholders of our Company dated July 27, 2012 and a fresh certificate of incorporation was issued by the RoC on August 17, 2012. Subsequently, upon conversion to a public company pursuant to a special resolution of the shareholders of our Company dated December 2, 2014, the name of our Company was changed to “Matrimony.com Limited and a fresh certificate of incorporation was issued by the RoC on January 2, 2015.

Registered Office and Corporate Office

TVH Beliciaa Towers, Tower II
10th Floor, No. 94, MRC Nagar
Mandaveli, Chennai - 600028
Telephone: +91 44 2463 1500
Facsimile: +91 44 2463 1777
Website: www.matrimony.com
Registration Number: 047432
Corporate Identity Number: U63090TN2001PLC047432

For more information in relation to changes in our registered office, see *History and Certain Corporate Matters- Changes in the Registered Office of our Company*” on page 172.

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Tamil Nadu, located at the following address:

The Registrar of Companies
Block No.6, B Wing 2nd Floor
Shastri Bhawan 26, Haddows Road
Chennai – 600034
Telephone: +91 44 2827 0071
Facsimile: +91 44 2823 4298

Board of Directors

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

Name, Designation and Occupation	Age (years)	DIN	Address
Chinni Krishnan Ranganathan Designation: Non-executive Chairman and independent Director Occupation: Business	55	00550501	Plot no.58/5, Door no.5, Dr. Sheshadri Avenue, Injambakkam, Chennai, Tamil Nadu, India 600041
Murugavel Janakiraman Designation: Managing Director Occupation: Business	45	00605009	No.154, Meridian Heights, Door no.502, Peters Road, Royapettah, Chennai, Tamil Nadu, India 600014
Deepa Murugavel	37	00725522	No.154, Meridian Heights, Door

Name, Designation and Occupation	Age (years)	DIN	Address
Designation: Non-executive Director			no.502, Peters Road, Royapettah, Chennai, Tamil Nadu, India 600014
Occupation: Business Nikhil Nirvan Khattau	52	00017880	Apartment A1/2, Bon Azur Beachfront Suites & Penthouses, Coastal Road, Pointe aux Biches, Mauritius
Designation: Nominee non-executive Director			
Occupation: Professional Vishal Vijay Gupta	37	01913013	Flat no. 4B, Lavelle Regency, No. 54 Lavelle Road, Bangalore, Karnataka, India 560001
Designation: Additional Director			
Occupation: Professional Avneet Singh Kochar	39	02415196	234 AWHO, Piru Puram Ambabari, Jaipur, Rajasthan, India 302012
Designation: Additional Director			
Occupation: Professional George Zacharias	56	00162570	B-5, Ceebros Mallika Apartments, 34, Pycrofts Garden Road, Chennai, Tamil Nadu, India 600006
Designation: Non-executive independent Director			
Occupation: Professional Milind Shripad Sarwate	55	00109854	E-201/202, Sita Vihar, Near Damani Estate, L.B.S. Marg, Naupada, Thane, Maharashtra India 400602
Designation: Non-executive independent Director			
Occupation: Professional			

For further details and brief profiles of our Directors, see the section titled “*Our Management- Brief Biographies*” at page 185.

Company Secretary and Compliance Officer

S. Vijayanand is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

TVH Beliciaa Towers, Tower II
10th Floor, No. 94, MRC Nagar
Mandaveli, Chennai - 600028
Telephone: +91 44 2463 1613
Facsimile: +91 44 2463 1777
E-mail: investors@matrimony.com

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

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

All grievances relating to the non-ASBA process must be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid-cum-Application Form number, Bidders’ DP ID, Client ID, PAN, address of the sole or First Bidder, number of Equity Shares applied for, amount paid on application, date of Bid cum Application Form, name and address of the Syndicate Member or the Registered Broker where the Bid 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 or the Syndicate Member at the Specified Locations or the Registered Broker with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of Bid cum Application Form and the name and address of the Designated Branch or the collection centre of the SCSB or the Syndicate Member at the Specified Locations or the Registered Broker at the Broker Centres where the Bid cum Application Form was submitted.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. With respect to the Bid cum Application Forms submitted with Registered Brokers, investors shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Chief Financial Officer

S. Parameshwar is the Chief Financial Officer of our Company. His contact details are as follows:

TVH Beliciaa Towers, Tower II
10th Floor, No. 94, MRC Nagar
Mandaveli, Chennai - 600028
Telephone: +91 44 2463 1500
Facsimile: +91 +91 44 2463 1777
E-mail: cfo@matrimony.com

Book Running Lead Managers		
Kotak Mahindra Capital Company Limited 1 st Floor, 27 BKC, Plot No. 27 G Block, Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Maharashtra, India Telephone: +91 22 4336 0000 Facsimile : +91 22 6713 2447 Email ID: matrimony.ipo@kotak.com Website: www.investmentbank.kotak.com Investor Grievance Email ID: kmccredressal@kotak.com Contact Person: Ganesh Rane SEBI Registration Number: INM000008704	Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Center G-Block, Bandra-Kurla Complex, Bandra (East) Mumbai – 400 051, Maharashtra, India Telephone: +91 22 6175 9999 Facsimile: +91 22 6175 9898 Email ID: matrimony.ipo@citi.com Website: http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Investor Grievance ID: investors.cgmb@citi.com Contact Person: Keshav Tyagi SEBI Registration No.: INM000010718	Deutsche Equities India Private Limited The Capital, 14th Floor, C-70, G-Block, Bandra Kurla Complex Mumbai 400 051 Maharashtra, India Telephone: +91 22 7180 4444 Facsimile: +91 22 7180 4199 Email ID: matrimony.ipo@db.com Website: www.db.com/india Investor Grievance ID: db.redressal@db.com Contact Person: Viren Jairath SEBI Registration No.: INM000010833

Syndicate Members

●

Legal Counsel to our Company as to Indian Law

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

Legal Counsel to the BRLMs as to Indian Law

S&R Associates
One Indiabulls Centre, 1403, Tower 2

841, Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4302 8000
Facsimile: +91 22 4302 8001

International Legal Counsel to the BRLMs

Shearman & Sterling LLP
12th Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong
Telephone: +852 2978 8000
Facsimile: +852 2978 8099

Legal Counsel to Bessemer India Capital Holdings II Ltd. as to Indian Law

Khaitan & Co One Indiabulls Centre 13th Floor, Tower 1 841 Senapati Bapat Marg Mumbai 400 013 Telephone: +91 22 6636 5000 Facsimile: +91 22 6636 5050	Simal, 2nd Floor 7/1 Ulsoor Road Bengaluru 560 042 Tel: +91 80 4339 7000 Facsimile: +91 80 2559 7452

Registrar to the Offer

Karvy Computershare Private Limited

Karvy Selenium Tower B,
Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032
Telephone: +91 40 6716 2222
Facsimile: +91 40 2343 1551
Email ID: einward.ris@karvy.com
Website: www.karisma.karvy.com
Investor Grievance ID: matrimony.ipo@karvy.com
Contact Person : M. Murali Krishna
Toll free no: 1800 3454 001
SEBI Registration No.: INR000000221

Bankers to the Offer and/or Escrow Collection Banks

[•]

Refund Banker(s)

[•]

Self Certified Syndicate Banks

The list of SCSBs is available on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA Bidder, not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the Bid cum Application Forms, is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, and at such other websites as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer to Registered Brokers at the Registered 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 at www.bseindia.com/Static/Markets/PublicIssues/brokercentres.aspx?expandable=3. For further details, see section titled “Offer Procedure” at page 393.

Statutory Auditor to our Company	
S. R. Batliboi & Associates LLP 6th & 7th Floor – “A” Block Tidel Park, (Module 601, 701 & 702) No.4, Rajiv Gandhi Salai, Taramani Chennai – 600 113 Telephone: + 91 44 6654 8100 Facsimile: +91 44 2254 0120 Email: SRBA@in.ey.com Registration Number: 101049W	
Bankers to our Company	
HDFC Bank Limited No. 99, Senans Square, Santhome High Road Santhome, Chennai – 600 028 Contact Person: P.R. Surya Prakash Telephone: + 91 93804 92750 Facsimile: +91 44 2461 2848 Email: surya.prakash@hdfcbank.com Website: www.hdfcbank.com	Indian Overseas Bank Karunai Kudil, 297 Cathedral Road, Chennai – 600 086 Contact Person: A Ashokkumar Telephone: + 91 44 2811 3993 Facsimile: +91 44 2811 2585 Email: iob2051@iob.in; Website: www.iob.in
ICICI Bank Limited #249, R.K. Mutt Road R.A. Puram, Chennai- 600 028 Contact Person: Jacob Norman Telephone: + 91 44 2493 8623 Facsimile: +91 44 2493 8623 Email: jacob.norman@icicibank.com Website: www.icicibank.com	Yes Bank Limited NOC Gurgaon, 3 rd floor, Building no. 8, Tower A DLF Cyber City, Gurgaon – 122 002 Contact Person: Vaun Kathuria/ Qumarey Khan Telephone: + 91 124 461 9119/205 Facsimile: +91 124 414 7193 Email: dlgnbtiservices@yesbank.in Website: www.yesbank.in
State Bank of India 120 Santhome High Road, Chennai Contact Person: S. Aravindan, Branch Manager Telephone: + 91 44 2464 2169 Facsimile: +91 44 2461 0556 Email: sbi.05797@sbi.co.in Website: www.statebankofindia.com	The Federal Bank Limited No. 1, Beemasena Garden, Royapettah High Road, Chennai – 600 004 Contact Person: Kavitha C. Telephone: + 91 44 2499 3626/24993772 Facsimile: +91 44 2499 3626/ 2499 3772 Email: mdsd@federalbank.co.in Website: www.federalbank.co.in
Axis Bank Limited No. 2, United India Colony 2 nd Main Road Chennai – 600 024 Contact Person: G. Shyamsunder Telephone: + 91 44 2484 4497/98 (9176908661) Facsimile: +91 44 2484 4499 Email: kodambakkam.branchhead@axisbank.com Website: www.axisbank.com	Citibank NA 163, Anna Salai Chennai – 600 002 Contact Person: Santesh Poddar Telephone: + 91 44 4227 4487 Facsimile: +91 44 2846 0002 Email: santesh.kumar.poddar@citi.com Website: www.citibank.co.in

Statement of inter-se allocation of responsibilities of the BRLMs

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, etc., positioning strategy and due diligence of the Company including its operations/ management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed	Kotak, Citi, Deutsche	Kotak

S. No.	Activity	Responsibility	Coordinator
	formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing		
2.	Drafting and approval of all statutory advertisement	Kotak, Citi, Deutsche	Kotak
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc.	Kotak, Citi, Deutsche	Deutsche
4.	Appointment of Intermediaries - Registrar to the Offer, Advertising Agency, Printers and Banker(s) to the Offer and Monitoring Agency (including coordinating all agreements to be entered with such parties.)	Kotak, Citi, Deutsche	Citi
5.	Non-Institutional and retail marketing of the Offer, which will cover, inter alia, - Finalising media, marketing and public relations strategy; - Finalising centres for holding conferences for brokers, etc; - Follow-up on distribution of publicity and Offer material including form, the Prospectus and deciding on the quantum of the Offer material; and - Finalising collection centres	Kotak, Citi, Deutsche	Kotak
6.	Domestic Institutional marketing of the Offer, which will cover, inter alia: - Institutional marketing strategy - Finalizing the list and division of domestic investors for one-to-one meetings - Finalizing domestic road show and investor meeting schedule	Kotak, Citi, Deutsche	Deutsche
7.	International Institutional marketing of the Offer, which will cover, inter alia: - Institutional marketing strategy - Finalizing the list and division of international investors for one-to-one meetings - Finalizing international road show and investor meeting schedule - Marketing and road-show presentation and preparation of frequently asked questions for the road show team	Kotak, Citi, Deutsche	Citi
8.	Coordination with Stock-Exchanges for book building software, bidding terminals and mock trading	Kotak, Citi, Deutsche	Deutsche
9.	Managing the book and finalization of pricing in consultation with the Company and the Selling Shareholders.	Kotak, Citi, Deutsche	Citi
10.	Post-bidding activities, including management of escrow accounts, co-ordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders, etc. The post-Offer activities will involve essential follow-up steps, including finalisation of trading, dealing of instruments and demat of delivery of shares with the various agencies connected with the work such as the Registrars to the Offer, the Bankers to the Offer, the bank handling refund business and the SCSBs. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and discharge this responsibility through suitable agreements with the Company	Kotak, Citi, Deutsche	Kotak
11.	Payment of the applicable Securities Transaction Tax ("STT") on sale of unlisted equity shares by the Selling Shareholders under the offer for sale included in the Issue to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004	Kotak, Citi, Deutsche	Deutsche

Monitoring Agency

Since the proceeds from the Fresh Issue are less than ₹ 5,000 million, in terms of Regulation 16 (1) of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Offer. As required under the Equity Listing Agreement to be entered into with the Stock Exchange, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Offer. We will disclose the utilization of the proceeds of the Offer under a separate head along with details, if any in relation to all such proceeds of the Offer that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Offer in our balance sheet for the relevant Financial Years.

Expert

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

Our Company has received written consent from the Statutory Auditor to include its 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 reports of the Statutory Auditors on the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements, each dated August 11, 2015 and the statement of tax benefits dated August 11, 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. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

Project Appraisal

The objects of this Offer have not been appraised.

Credit Rating

As this is an issue of equity shares, credit rating is not required.

Trustees

As this is an offer of equity shares, the appointment of trustees is not required.

IPO Grading of the Offer

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

Book Building Process

“Book building” refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid-cum-Application Forms and Revision Forms. The Offer Price shall be determined by our Company in consultation with the Selling Shareholders and the BRLMs after the Bid Closing Date. The principal parties involved in the Book Building Process are:

- (1) our Company;
- (2) the Selling Shareholders;
- (3) BRLMs;
- (4) Syndicate Members;
- (5) Registered Brokers;
- (6) Registrar to the Offer;
- (7) Escrow Collection Banks; and
- (8) SCSBs.

This Offer is being made through the Book Building Process, wherein at least 75% of the Net Offer shall be Allotted to QIBs on a proportionate basis.

Our Company in consultation with the Selling Shareholders and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price in accordance with the SEBI Regulations, out of which at least one-third will be available for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹ 100 million. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

Such number of Equity Shares representing 5% of the Net QIB Portion (other than the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. In the event that the aggregate demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, then the entire application money shall be refunded forthwith.

Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with SEBI Regulations, subject to valid Bids being received from them at or above the Offer Price, such that subject to availability of Equity Shares, each Retail Individual Bidder shall be allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

Subject to valid Bids being received at or above the Offer Price, under-subscription in any category, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Selling Shareholders and the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories. Under-subscription, if any, in the Employee Reservation Portion will be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted to be met with spill over from the Employee Reservation Portion, subject to compliance with Rule 19(2)(b) of the SCRR.

All investors, other than Anchor Investors, can participate through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. However, QIBs (excluding Anchor Investors) and Non-Institutional Bidders are mandatorily required to submit their Bids by way of ASBA only.

In accordance with the SEBI Regulations, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis. 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. For further details, see sections titled “Offer Structure” and “Offer Procedure” on pages 387 and 393 respectively.

Our Company and the Selling Shareholders 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 Shareholders have appointed the BRLMs to manage this Offer and procure subscriptions to this Offer.

The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. Specific attention of ASBA Bidders is invited to see section titled “Offer Procedure” on page 393;
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;

- Except for bids on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the state of Sikkim, for Bids of all values ensure that you have mentioned your PAN allotted under the IT Act in the Bid cum Application Form (see section titled “Offer Procedure” on page 393). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants’ verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims. 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 the transaction;
- Bids by QIBs (except Anchor Investors) and NIIs shall be submitted only through the ASBA process;
- Ensure the correctness of your demographic details such as the address, the bank account details for printing on refund orders and occupation (“Demographic Details”), given in the Bid cum Application Form, with the details recorded with your Depository Participant;
- Ensure the correctness of your PAN, DP ID and Client ID given in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain details of the Bidders from the Depositories including the Bidder’s name, bank account number etc;
- ASBA Bidders can submit their Bids by submitting Bid cum Application Forms, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained or in physical form to the Syndicate, the sub-Syndicate or the Registered Brokers. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that their Bid cum Application Form is not rejected; and
- Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers at the Registered Broker Centers.

For further details, see section titled “Offer Procedure” on page 393.

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

Illustration of Book Building Process and the Price Discovery Process

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

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

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

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

Underwriting Agreement

After the determination of the Offer Price, but prior to filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the Book Running Lead Managers shall be responsible for bringing in the amount devolved in the event the respective Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded, subject to Regulation 13 of the SEBI Regulations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. 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 of the Prospectus with the RoC.)

Details of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (In ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after determination of the Offer Price and finalization of the 'Basis of Allotment'.

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

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

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Offer. The underwriting agreement shall list out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the investors at the time of Bidding.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus, before and after the Offer, is set forth below:

(In ₹, except share data)

		Aggregate nominal value	Aggregate value at Offer Price
A)	AUTHORISED SHARE CAPITAL ^(a)		
	36,000,000 Equity Shares	180,000,000	
	4,200,000 Preference Shares	21,000,000	
B)	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE OFFER		
	14,778,256 Equity Shares	73,891,280	
	3,607,724 Investor CCPS	18,038,620	
C)	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE OFFER (AFTER CONVERSION OF INVESTOR CCPS)		
	21,163,928 Equity Shares	105,819,640	
D)	PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,500 million ^(b)	[●]	[●]
	Offer for Sale of up to 1,660,603 Equity Shares aggregating up to ₹ [●] million ^(c)	[●]	[●]
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ 2.50 million.	[●]	[●]
	Net Offer of up to [●] Equity Shares	[●]	[●]
E)	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	[●] Equity Shares		[●]
F)	SECURITIES PREMIUM ACCOUNT⁽¹⁾		
	Before the Offer (₹ million)		21.51
	After the Offer*		[●]

*The securities premium account will be determined after completion of the book building process and determination of the Offer Price.

**Our Company, in consultation with the Selling Shareholders and the BRLMs, may allocate up to 60% of the QIB Portion, consisting of [●] Equity Shares, 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 Offer Price. In case of under-subscription in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Portion. For more information see "Offer Procedure" on page 393.

⁽¹⁾ The High Court of Madras by an order dated November 19, 2013 sanctioned the reduction of the securities premium account of our Company from ₹ 936,677,437 to ₹ 11,285,829. The amount of ₹ 925.40 million reduced from the securities premium account was utilised towards writing off/neutralizing the book losses of our Company during the year ended March 31, 2013.

(a) Provided below are details of changes in our authorised share capital since incorporation:

S No.	Date of change/ AGM/ EGM resolution	Change in authorised capital
1.	December 5, 2003	The initial authorised share capital of ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10.00 each was increased to ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10.00 each.
2.	June 16, 2006	The authorized share capital of our Company was altered by way of subdivision to ₹5,000,000 divided into 5,000,000 equity shares of ₹ 1.00 each, whereby one equity share of ₹10.00 each was sub-divided into ten equity shares of ₹ 1.00 each.
3.	July 27, 2006	The authorised share capital of ₹ 5,000,000 divided into 5,000,000 equity shares of ₹ 1.00 each was increased to ₹ 5,400,000 divided into 5,000,000 equity shares of ₹ 1.00 each and 400,000 preference shares of ₹ 1.00 each.

S No.	Date of change/ AGM/ EGM resolution	Change in authorised capital
4.	January 7, 2012	The authorised share capital of ₹ 5,400,000 divided into 5,000,000 equity shares of ₹ 1.00 each and 400,000 preference shares of ₹ 1.00 each was increased to ₹ 141,000,000 divided into 120,000,000 equity shares of ₹ 1.00 each and 21,000,000 preference shares of ₹ 1.00 each.
5.	January 23, 2012	The authorized share capital of our Company was altered by way of consolidation to ₹ 141,000,000 divided into 40,000,000 equity shares of ₹ 3.00 each and 7,000,000 preference shares of ₹ 3.00 each, whereby three equity shares of ₹ 1.00 each were consolidated into one equity share of ₹ 3.00 each and three preference shares of ₹ 1.00 each were consolidated into one preference share of ₹ 3.00 each.
6.	December 31, 2014	The authorised share capital of ₹ 141,000,000 divided into 4,00,00,000 equity shares of ₹ 3.00 each and 7,000,000 preference shares of ₹ 3.00 each was increased to ₹ 201,000,000 divided into 60,000,000 equity shares of ₹ 3.00 each and 7,000,000 preference shares of ₹ 3.00 each.
7.	August 5, 2015 (effective from August 7, 2015)	The authorized share capital of our Company was altered by way of consolidation to ₹ 201,000,000 divided into 36,000,000 Equity Shares and 4,200,000 Preference Shares whereby five equity shares of ₹ 3.00 each were consolidated into three equity shares of ₹ 5.00 each and five preference shares of ₹ 3.00 each were consolidated into three preference shares of ₹ 5.00 each.

- (b) The Fresh Issue has been authorized by a resolution of our Board dated July 30, 2015 and by a special resolution passed by our shareholders at the EGM held on August 5, 2015.
- (c) Bessemer India Capital Holdings II Ltd. and Draper Investment Company LLC have obtained approval for participation in the Offer for Sale pursuant to resolution of their board of directors dated July 22, 2015 and August 10, 2015 respectively and have provided their consent to offer up to 1,461,006 Equity Shares and 93,394 Equity Shares, respectively. The Hartenbaum Revocable Trust U/A/D 02/03/06 and Indrani Janakiraman has provided consent to offer up 23,369 Equity Shares and 82,834 Equity Shares, respectively in the Offer for Sale pursuant to their letter dated August 13, 2015 and August 8, 2015, respectively.

The Equity Shares to be offered in the Offer for Sale have been held by the respective Selling Shareholders for a period of at least one year prior to the date of this Draft Red Herring Prospectus or have been received on conversion of fully paid-up compulsorily convertible shares of the Company and the continuous period of holding of the fully paid-up compulsorily convertible shares of the Company along with the resultant Equity Shares offered in the Offer for Sale is at least one year preceding the date of this Draft Red Herring Prospectus or were issued under a bonus issue (out of free reserves and/or share premium existing as at the end of the previous Financial Year and were not issued by utilization of revaluation reserves or unrealised profits of our Company) on Equity Shares held for a period of at least one year preceding the date of the Draft Red Herring Prospectus and hence are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the SEBI Regulations.

Notes to the Capital Structure

1. Share Capital History

(a) History of share capital of our Company

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

Date of allotment	Number of equity shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative number of equity shares	Cumulative paid up equity share capital (₹)
July 14, 2001	10,000	10.00	10.00	Cash ⁽¹⁾	Subscription to the MoA ⁽¹⁾	10,000	100,000.00
March 23, 2002	32,900	10.00	10.00	Cash	Preferential allotment ⁽²⁾	42,900	429,000.00

Pursuant to a shareholders' resolution dated June 16, 2006, one equity share of face value ₹ 10.00 each was split into ten equity

Date of allotment	Number of equity shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative number of equity shares	Cumulative paid up equity share capital (₹)

shares of ₹ 1.00 each. Accordingly, 42,900 equity shares of ₹ 10.00 each were sub-divided into 429,000 equity shares of ₹ 1.00 each.

July 17, 2006*	1,000	1.00	525.79	Cash	Preferential allotment ⁽³⁾	430,000	430,000.00
September 28, 2011**	87,832	1.00	-	Other than cash	Conversion of optionally convertible preference shares of ₹ 1.00 each ⁽⁴⁾	517,832	517,832.00
January 10, 2012	39,873,064	1.00	-	Other than cash ⁽⁵⁾	Bonus issue of 77 equity shares of ₹ 1.00 each for every one equity share of ₹ 1.00 held ⁽⁵⁾	40,390,896	40,390,896.00

Pursuant to a shareholders' resolution dated January 23, 2012, three equity shares of face value ₹ 1.00 each were consolidated into one Equity Share of ₹ 3.00 each. Accordingly, 40,390,896 equity shares of ₹ 1.00 each were consolidated to 13,463,632 Equity Shares of ₹ 3.00 each.

Issue of Equity Shares in the last two years preceding the date of this Draft Red Herring Prospectus

November 26, 2014	1,254	3.00	-	Other than cash	Conversion of optionally convertible preference shares of ₹ 3.00 each ⁽⁶⁾	13,464,886	40,394,658.00
	109,948	3.00	-	Other than cash	Conversion of compulsorily convertible preference shares of ₹ 3.00 each ⁽⁷⁾	13,574,834	40,724,502.00
December 30, 2014	49,783	3.00	760.00	Cash	Preferential allotment ⁽⁸⁾	13,624,617	40,873,851.00
	42,068	3.00	58.65	Cash	Allotment against exercise of options granted under the ESOP Scheme ⁽⁹⁾	13,666,685	41,000,055.00
	164,918	3.00	-	Other than cash	Conversion of compulsorily convertible preference shares of ₹ 3.00 each ⁽¹⁰⁾	13,831,603	41,494,809.00
December 31, 2014	2,489,688	3.00	-	Other than cash	Bonus issue of 18 equity shares of ₹ 3.00 each for every 100 equity shares of ₹ 3.00 each held ⁽¹¹⁾	16,321,291	48,963,873.00
January 27, 2015	8,160,647	3.00	-	Other than cash	Bonus issue of one equity share of ₹ 3.00 each for every two equity shares of ₹ 3.00 each held ⁽¹²⁾	24,481,938	73,445,814.00
February 5, 2015	74,460	3.00	33.14	Cash	Allotment against exercise of options granted under the ESOP Scheme ⁽¹³⁾	24,556,398	73,669,194.00
March 16, 2015	74,028	3.00	-	Other than cash	Conversion of optionally convertible preference shares of ₹ 3.00 each ⁽¹⁴⁾	24,630,426	73,891,278.00

Pursuant to a shareholders' resolution dated August 5, 2015, five equity shares of face value ₹ 3.00 each were consolidated into three Equity Shares of face value ₹ 5.00 each. Accordingly, 24,630,426 equity shares of face value ₹ 3.00 each were consolidated to 14,778,256 Equity Shares. Fractional Equity Shares aggregating up to a total of 12 Equity Shares arising out of the consolidation are held by Murugavel Janakiraman solely on behalf of and for the economic benefit of holders*** of such fractional shares and the net proceeds out of the sale of such fractional Equity Shares shall be distributed amongst the shareholders in proportion to their entitlement over such fractional Equity Shares.

* The form filing made by our Company with the RoC in relation to this allotment is not available. See "Risk Factors- Certain documents in relation to an allotment of Equity Shares made by us and in relation to certain pending legal proceedings involving our Company are not traceable." on page 35.

** The date of allotment of in the filing made by the Company with the RoC and the Shareholders' Agreement are different. See "Risk Factors- Certain documents in relation to an allotment of Equity Shares made by us and in relation to certain pending legal proceedings involving our Company are not traceable." on page 35.

*** The holders of fractional shares are Murugavel Janakiraman, Indrani Janakiraman, Deepa Murugavel, Ravi Janakiraman, CMDB II, Mayfield XII, Mauritius, Bessemer Venture Partners Trust, Draper Investment Company LLC, The Hartenbaum Revocable Trust U/A/D 02/03/06, Taru Mayur, Vibha Srisimal, Loyal Textile

Mills Limited, Sriram Subramanya, B. Srinivasan, Milind Shripad Sarwate jointly with Madhumita Milind Sarwate, GR Ananthapadmanabhan, GR Radhakrishnan, G Rajendran, Xerago E Biz Services Private Limited, Ramesh Shastri jointly with Nagarathna Shastri, N. Lakshminarayanan, Gopal Srinivasan, E. Parasuraman and T. Sivakumar.

⁽¹⁾ Initial subscription to the MoA by C. Shankar (5,000 equity shares of ₹10.00 each) and C. Samundeeswari (5,000 equity shares of ₹10.00 each).

⁽²⁾ Murugavel Janakiraman was allotted 32,600 equity shares of ₹10.00 each, S. Janakiraman was allotted 150 equity shares of ₹10.00 each and Indrani Janakiraman was allotted 150 equity shares of ₹10.00 each.

⁽³⁾ Murugavel Janakiraman was allotted 1,000 equity shares of ₹1.00 each

⁽⁴⁾ Yahoo! Netherlands BV was allotted 87,832 equity shares of ₹1.00 each pursuant to conversion of 87,832 optionally convertible preference shares of ₹1.00 each.

⁽⁵⁾ Murugavel Janakiraman was allotted 32,879,000 equity shares of ₹1.00 each, Indrani Janakiraman was allotted 231,000 equity shares of ₹1.00 each, Canaan VII Mauritius was allotted 1,059,058 equity shares of ₹1.00 each, Mayfield XII, Mauritius was allotted 2,118,193 equity shares of ₹1.00 each and Bessemer India Capital Holdings II Ltd. was allotted 3,585,813 equity shares of ₹1.00 each.

⁽⁶⁾ Draper Investment Company LLC was allotted 1,003 equity shares of ₹3.00 each and The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 251 equity shares of ₹3.00 each each pursuant to conversion of 1,254 optionally convertible preference shares of ₹3.00 each.

⁽⁷⁾ Draper Investment Company LLC was allotted 87,943 equity shares of ₹3.00 each and The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 22,005 equity shares of ₹3.00 each each pursuant to conversion of 109,948 compulsorily convertible preference shares of ₹3.00 each.

⁽⁸⁾ Murugavel Janakiraman was allotted 16,098 equity shares of ₹3.00 each, Canaan VII Mauritius was allotted 6,885 equity shares of ₹3.00 each, Mayfield XII, Mauritius was allotted 6,700 equity shares of ₹3.00 each, Bessemer Venture Partners Trust was allotted 6,700 equity shares of ₹3.00 each, Draper Investment Company LLC was allotted 6,700 equity shares of ₹3.00 each and The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 6,700 equity shares of ₹3.00 each.

⁽⁹⁾ George Zacharias was allotted 42,068 equity shares of ₹3.00 each.

⁽¹⁰⁾ Bessemer India Capital Holdings II Ltd. was allotted 164,918 equity shares of ₹3.00 each pursuant to conversion of 164,918 compulsorily convertible preference shares of ₹3.00 each.

⁽¹¹⁾ Murugavel Janakiraman was allotted 2,001,258 equity shares of ₹3.00 each, Indrani Janakiraman was allotted 14,040 equity shares of ₹3.00 each, Canaan VII Mauritius was allotted 65,608 equity shares of ₹3.00 each, Mayfield XII, Mauritius was allotted 129,948 equity shares of ₹3.00 each, Bessemer India Capital Holdings II Ltd. was allotted 247,628 equity shares of ₹3.00 each, Bessemer Venture Partners Trust was allotted 1,206 equity shares of ₹3.00 each, Draper Investment Company LLC was allotted 17,216 equity shares of ₹3.00 each, The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 5,212 equity shares of ₹3.00 each and George Zacharias was allotted 7,572 equity shares of ₹3.00 each.

⁽¹²⁾ Murugavel Janakiraman was allotted 6,559,678 equity shares of ₹3.00 each, Indrani Janakiraman was allotted 46,019 equity shares of ₹3.00 each, Deepa Murugavel was allotted 1 equity share of ₹3.00 each, Ravi Janakiraman was allotted 1 equity share of ₹3.00 each, Canaan VII Mauritius was allotted 215,049 equity shares of ₹3.00 each, Mayfield XII, Mauritius was allotted 425,941 equity shares of ₹3.00 each, Bessemer India Capital Holdings II Ltd. was allotted 811,670 equity shares of ₹3.00 each, Bessemer Venture Partners Trust was allotted 3,953 equity shares of ₹3.00 each, Draper Investment Company LLC was allotted 56,431 equity shares of ₹3.00 each, The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 17,084 equity shares of ₹3.00 each and George Zacharias was allotted 24,820 equity shares of ₹3.00 each.

⁽¹³⁾ K.B. Chandrasekar was allotted 74,460 equity shares of ₹3.00 each.

⁽¹⁴⁾ Canaan VII Mauritius was allotted 74,028 equity shares of ₹3.00 each pursuant to conversion of 41,824 optionally convertible preference shares of ₹3.00 each.

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

Date of allotment	Number of preference shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative number of preference shares	Cumulative paid up preference share capital (₹)
Optionally convertible preference shares*							
July 28, 2006	217,070	1.00	1855.53	Cash	Preferential allotment ⁽¹⁾	217,070	217,070.00
Compulsorily convertible preference shares**							
January 25, 2008	97,917	1.00	4721.92	Cash	Preferential allotment ⁽²⁾	314,987	314,987.00
March 29, 2011	8,169	1.00	8,224.38	Cash	Preferential allotment ⁽³⁾	323,156	323,156.00
	8,169	1.00	8202.35	Cash	Preferential allotment ⁽⁴⁾	331,325	331,325.00
January 10, 2012	18,748,961	1.00	-	Other than cash	Bonus issue of 77 compulsorily convertible preference shares ₹1.00 each for every one compulsorily convertible preference share and	18,992,454 [#]	18,992,454.00

Date of allotment	Number of preference shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative number of preference shares	Cumulative paid up preference share capital (₹)
					optionally convertible preference share of ₹ 1.00 held ⁽⁵⁾		
Pursuant to a shareholders' resolution dated January 23, 2012, three preference shares of face value ₹ 1.00 each were consolidated into one preference share of ₹ 3.00 each, therefore, 18,992,454 preference shares of ₹ 1.00 each as on January 23, 2012 were consolidated to 6,330,818 preference shares of ₹ 3.00 each.							
Pursuant to a shareholders' resolution dated August 5, 2015, five preference shares of face value ₹ 3.00 each were consolidated into three preference shares of face value ₹ 5.00 each; therefore, 6,012,874 preference shares of face value ₹ 3.00 each were consolidated to 3,607,724 preference shares of face value ₹ 5.00 each.							

*All outstanding optionally convertible preference shares have been converted into Equity Shares as on date.

** There are 3,607,724 Investor CCPS outstanding as on the date of this Draft Red Herring Prospectus, held by Mayfield XII, Mauritius (998,618 CCPS) and CMDDB II (2,609,106 CCPS). All Investor CCPS would be converted into Equity Shares prior to the registration of the Red Herring Prospectus with the RoC in accordance with the terms of the Shareholders' Agreement, the Amendment Agreement and the Deed of Adherence into a total of 6,385,672 Equity Shares.

On September 28, 2011, Yahoo! Netherlands BV was allotted 87,832 equity shares of ₹ 1.00 each pursuant to conversion of 87,832 optionally convertible preference shares of ₹ 1.00 each.

⁽¹⁾ Canaan VII Mauritius was allotted 125,474 optionally convertible preference shares of face value ₹ 1.00 each, Overture Services Europe BV was allotted 87,832 optionally convertible preference shares of face value ₹ 1.00 each, Draper Investment Company LLC was allotted 3,011 optionally convertible preference shares of face value ₹ 1.00 each and The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 753 optionally convertible preference shares of face value ₹ 1.00 each.

⁽²⁾ Mayfield XII, Mauritius was allotted 52,099 compulsorily convertible preference shares of ₹ 1.00 each, Canaan VII Mauritius was allotted 33,343 compulsorily convertible preference shares of ₹ 1.00 each, Overture Services Europe BV was allotted 11,962 compulsorily convertible preference shares of ₹ 1.00 each, Draper Investment Company LLC was allotted 410 compulsorily convertible preference shares of ₹ 1.00 each and The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 103 compulsorily convertible preference shares of ₹ 1.00 each.

⁽³⁾ Allotment to Mayfield XII, Mauritius pursuant to the share subscription agreement dated March 25, 2011 and shareholders' agreement dated March 25, 2011 between our Company, Mayfield XII, Mauritius, Canaan VII Mauritius, Murugavel Janakiraman and Indrani Janakiraman.

⁽⁴⁾ Allotment to Canaan VII Mauritius pursuant to the share subscription agreement dated March 25, 2011 and shareholders' agreement dated March 25, 2011 between our Company, Mayfield XII, Mauritius, Canaan VII Mauritius, Murugavel Janakiraman and Indrani Janakiraman.

⁽⁵⁾ Canaan VII Mauritius was allotted 13,002,143 compulsorily convertible preference shares of face value ₹ 1.00 each, Mayfield XII, Mauritius was allotted 4,929,078 compulsorily convertible preference shares of face value ₹ 1.00 each, Bessemer India Capital Holdings II Ltd. was allotted 488,411 compulsorily convertible preference shares of face value ₹ 1.00 each, Draper Investment Company LLC was allotted 263,417 compulsorily convertible preference shares of face value ₹ 1.00 each and The Hartenbaum Revocable Trust U/A/D 02/03/06 was allotted 65,912 compulsorily convertible preference shares of face value ₹ 1.00 each.

(b) Securities issued for consideration other than cash

Details of equity shares and preference shares issued for consideration other than cash are as follows:

Date of allotment	Nature of security	Number of securities	Face Value (₹)	Issue Price (₹)	Benefits accrued to the Company	Reasons for allotment
September 28, 2011	Equity shares	87,832	1.00	-	-	Conversion of 87,832 optionally convertible preference shares of ₹ 1.00 each held by Yahoo! Netherlands BV
January 10, 2012	Equity shares	39,873,064	1.00	-	-	Bonus issue of 77 equity shares of ₹ 1.00 each for every one equity share of ₹ 1.00 held by Murugavel Janakiraman, Indrani Janakiraman, Canaan VII Mauritius, Mayfield XII, Mauritius and Bessemer India Capital Holdings II Ltd..
January 10, 2012	Compulsorily convertible preference shares	18,748,961	1.00	-	-	Bonus issue of 77 compulsorily convertible preference shares of face value of ₹ 1.00 each for every one compulsorily convertible preference shares of ₹ 1.00 each held by Mayfield XII, Mauritius, Canaan VII Mauritius, Draper Investment Company LLC, The Hartenbaum Revocable Trust U/A/D

Date of allotment	Nature of security	Number of securities	Face Value (₹)	Issue Price (₹)	Benefits accrued to the Company	Reasons for allotment
						02/03/06 and Bessemer India Capital Holdings II Ltd. and every one optionally convertible preference shares of face value of ₹ 1.00 each held by Canaan VII Mauritius, Draper Investment Company LLC and The Hartenbaum Revocable Trust U/A/D 02/03/06
November 26, 2014	Equity shares	1,254	3.00	-	-	Conversion of 1,003 and 251 optionally convertible preference shares of face value of ₹ 3.00 each held by Draper Investment Company LLC and The Hartenbaum Revocable Trust U/A/D 02/03/06, respectively
		109,948	3.00	-	-	Conversion of 87,943 and 22,005 compulsorily convertible preference shares of face value of ₹ 3.00 each held by Draper Investment Company LLC and The Hartenbaum Revocable Trust U/A/D 02/03/06, respectively
December 30, 2014	Equity shares	164,918	3.00	-	-	Conversion of 164,918 compulsorily convertible preference shares of face value of ₹ 3.00 each held by Bessemer India Capital Holdings II Ltd.
December 31, 2014	Equity shares	2,489,688	3.00	-	-	Bonus issue of 18 equity shares of ₹ 3.00 each for every 100 equity shares of ₹ 3.00 each held by Murugavel Janakiraman, Indrani Janakiraman, Canaan VII Mauritius, Mayfield XII, Mauritius, Bessemer India Capital Holdings II Ltd., Bessemer Venture Partners Trust, Draper Investment Company LLC, The Hartenbaum Revocable Trust U/A/D 02/03/06 and George Zacharias.
January 27, 2015	Equity shares	8,160,647	3.00	-	-	Bonus issue of one equity shares of ₹ 3.00 each for every two equity shares of ₹ 3.00 each held by Murugavel Janakiraman, Indrani Janakiraman, Canaan VII Mauritius, Mayfield XII, Mauritius, Bessemer India Capital Holdings II Ltd., Bessemer Venture Partners Trust, Draper Investment Company LLC, The Hartenbaum Revocable Trust U/A/D 02/03/06, Deepa Murugavel, Ravi Janakiraman and George Zacharias.
March 16, 2015	Equity shares	74,028	3.00	-	-	Conversion of 41,824 optionally convertible preference shares of face value of ₹ 3.00 each by Canaan VII Mauritius

2. 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.
3. Our Company has not issued any bonus shares out of capitalization of its revaluation reserves or unrealized profits.
4. **Employee stock option scheme**

Our Company has adopted the Employee Stock Option Scheme (A) 2010 to reward its employees for their past association and performance. The scheme was amended and renamed as Employee Stock Option Scheme 2014 (“**ESOP Scheme**”) by the Board of Directors vide resolution dated April 7, 2014 which was approved by the Shareholders vide resolution dated April 11, 2014. As per the certificate dated August 17, 2015 provided by Kumar Bagri & Associates, the ESOP Scheme is in compliance with applicable regulations, including relevant Guidance Notes or Accounting Standards issued by the Institute of Chartered Accountants of India in this regard, the Companies Act, 2013 and the ESOP Regulations.

Pursuant to resolutions of our shareholders dated November 19, 2010 and April 11, 2014 and resolution of our Board dated October 13, 2010 and circular resolution of the Board dated April 7, 2014, our Company has implemented the ESOP Scheme. Under the provisions of the ESOP Scheme, we intend to grant up to 1,785,186 employee stock options exercisable into 1,785,186 equity shares of face value ₹ 3 each as on the date of this Draft Red Herring Prospectus, to eligible employees of our Company and eligible employees of our Subsidiaries and associates, subject to applicable laws. Pursuant to adjustments to the number of options and exercise price on account of the consolidation of our share capital on August 5, 2015, these employee stock options, upon vesting and exercise, will enable the employees to receive an equal number of Equity Shares.

The Board of Directors at their meeting held on October 13, 2010 approved the grant of 3,236 options at an exercise price of ₹1,525 per option. Pursuant to the bonus issue on January 10, 2012, and consolidation of face value of the equity shares from face value of ₹ 1 to face value of ₹ 3 on January 23, 2012, the number of options have been adjusted to 84,136 with exercise price of ₹58.65 per option. On December 30, 2014, 42,068 options were exercised by the option holder and 42,068 equity shares were allotted at ₹ 58.65 per share. Pursuant to the bonus issuances on December 31, 2014 and January 27, 2015 42,068 options were adjusted to 74,460 options and the exercise price was adjusted to ₹ 33.14 (“**Pool 1**”). The following table sets forth the particulars of options granted under Pool 1:

Particulars	Details			
	Fiscal 2013	Fiscal 2014	Fiscal 2015	Up to August 8, 2015
No. of options as at beginning of period	84,136	84,136	84,136	Nil
Options granted	Nil	Nil	Nil	Nil
Pricing Formula	Fair Value after averaging the values arrived from PAT Multiple method & Income approach method			
Exercise price of options (in `)	58.65	58.65	58.65 for 42,068 options & 33.14 for 74,460 options	Nil
Total options vested (includes options exercised)	Nil	Nil	Nil	Nil
Options exercised	Nil	Nil	116,528	Nil
Total number of equity shares arising as a result of full exercise of options already granted	Nil	Nil	116,528	Nil
Options forfeited/ lapsed/ cancelled	Nil	Nil	Nil	Nil
Variations in terms of options	Nil	Nil	Nil	Nil
Money realised by exercise of options (in ₹)	Nil	Nil	4,934,892.60	Nil
Options outstanding (in force)	84,136	84,136	Nil	Nil
Person wise details of options granted to				
i) Directors, key managerial personnel and senior managerial personnel	Name of Employee	No. of options		
		Granted	Exercised	Outstanding
	George Zacharias	42,068	42,068	Nil
	K B Chandrasekar	74,460	74,460	Nil
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	Name of Employee	No. of options		
		Granted	Exercised	Outstanding
	George Zacharias	42,068	42,068	Nil
	K.B. Chandrasekar	74,460	74,460	Nil
iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the	Nil			

Particulars	Details			
	Fiscal 2013	Fiscal 2014	Fiscal 2015	Up to August 8, 2015
issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant				
Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard	2.69	(3.46)	(1.84)	N.A.
Vesting schedule	Immediate vesting on 13th October 2010 for 2,427 options & 809 options would vest after completion of 1 year from 13th October 2010.			
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and employee compensation cost calculated on the basis of fair value of stock options	Nil	Nil	Nil	N.A.
Impact on the profits of our Company and on the EPS arising due to difference in the accounting treatment for the options granted in the last three years and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	Nil	Nil	Nil	N.A.
Impact on the profits of our Company and on the EPS of the last three years arising due to difference in the accounting policies specified in Regulation 15 of the ESOP Regulations in respect of options granted in the last three years.	Nil	Nil	Nil	N.A.
Weighted average exercise price and weighted average fair value of options whose exercise price either equals or exceeds or is less than market price of the stock	Nil			
Method and significant assumptions used to estimate the fair value of options granted during the year:				
Method used	Black Scholes Model			
Risk free interest rate	7.47% & 7.66%			
Expected Life	2.5 & 3.5 years			
Expected Volatility	Nil			
Expected Dividends	Nil			
Price of underlying shares in market at the time of Option grant	NA			

Further, our Company granted 408,303 options in April and September of 2014 at an exercise price of ₹ 109.75 per option. Pursuant to the bonus issuance on December 31, 2014 and January 27, 2015 the number of options were adjusted to 722,695 options with an exercise price of ₹ 62 per option. 35,554 options lapsed at the end of July 31, 2015 and the outstanding options at the end of the period is 687,141 (“**Pool 2**”). Further, our Company granted 80,000 options in July 2015 with an exercise price of ₹ 210 per option (“**Pool 3**”).

Pursuant to consolidation of face value of the equity shares from face value of ₹ 3 to face value of ₹ 5 the options in Pool 2 stands adjusted to 412,285 options with an exercise price of ₹103 per share and Pool 3 stands adjusted to 48,000 options with an exercise price of ₹350 per option. These employee stock options, upon vesting and exercise, will enable the employees to an equal number of Equity Shares. The following table sets forth the particulars of options granted under Pool 2 and 3:

Particulars	Details			
	Fiscal 2015 (Pool 2)	Up to August 8, 2015 (Pool 2)	Up to August 8, 2015 (Pool 3)	
No. of options as at beginning of period	Nil	4,33,617 [#]	Nil	
Options granted	722,695 [*]	Nil	48,000 [#]	
Pricing Formula	Fair Value after averaging the values arrived from PAT Multiple method & Income approach method			
Exercise price of options (in ₹)	62 [*]	103 [#]	350 [#]	
Total options vested (includes options exercised)	Nil	95,259	Nil	
Options exercised	Nil	Nil	Nil	
Total number of equity shares arising as a result of full exercise of options already granted	Nil	Nil	Nil	
Options forfeited/ lapsed/ cancelled	Nil	21,332 [#]	Nil	
Variations in terms of options	Nil	Nil	Nil	
Money realised by exercise of options (in ₹)	Nil	Nil	Nil	
Options outstanding (in force)	722,695 [*]	412,285 [#]	48,000 [#]	
* Options & price adjusted towards Bonus issue during the year				
# Options & price adjusted on account of consolidation from ₹3/- to ₹5/-				
Person wise details of options granted to				
i) Directors, key managerial personnel and senior managerial personnel	Name of Employee	No. of options		
		Granted	Exercised	Outstanding
	S. Parameshwar	20,370	Nil	20,370
	S. Vijayanand	2,400	Nil	2,400
	Jayaram K. Iyer	28,755	Nil	28,755
	Saichithra S.	191,697	Nil	191,697
	R. Chandrasekhar	14,377	Nil	14,377
	Sunitha Lal	14,377	Nil	14,377
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	Name of Employee	No. of options		
		Granted	Exercised	Outstanding
	Saichithra S	191,697	Nil	191,697
	Jayaram K Iyer	28,755	Nil	28,755
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 pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard	(1.84)	NA	NA	
Vesting schedule	See Note 1 below			
Difference, if any, between employee compensation cost calculated using the intrinsic	₹10,630,440/-	NA	NA	

Particulars	Details		
	Fiscal 2015 (Pool 2)	Up to August 8, 2015 (Pool 2)	Up to August 8, 2015 (Pool 3)
value of stock options and employee compensation cost calculated on the basis of fair value of stock options			
Impact on the profits of our Company and on the EPS arising due to difference in the accounting treatment for the options granted in the last three years and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	Impact on Profits - ₹ 10,630,440/- Diluted EPS (after considering the above impact) – (2.28)	NA	NA
Impact on the profits of our Company and on the EPS of the last three years arising due to difference in the accounting policies specified in Regulation 15 of the ESOP Regulations in respect of options granted in the last three years.	Nil	NA	NA
Weighted average exercise price and weighted average fair value of options whose exercise price either equals or exceeds or is less than market price of the stock	Nil		
Method and significant assumptions used to estimate the fair value of options granted during the year: See Note 2 below			

Note-1: Vesting Schedule

Grant 3:

Percentage	30%	30%	40%
Date of vesting	14 th April 2015	14 th April 2016	14 th April 2017
No of options	95,259	95,260	127,012

Grant 4:

Percentage	30%	30%	40%
Date of vesting	1st Oct ,2015	1st Oct ,2016	1st Oct ,2017
No of options	9,893	9,893	13,191

Grant 5:

Percentage	30%	30%	40%
Date of vesting	1st Apr 2016	1st Apr 2017	1st Apr 2018
No of options	9,180	9,180	12,240

Grant 6:

Percentage	30%	30%	40%
Date of vesting	1st Oct 2016	1st Oct 2017	1st Oct 2018
No of options	900	900	1,200

Grant 7:

Percentage	30%	30%	40%
Date of vesting	1st Apr 2016	1st Apr 2017	1st Apr 2018
No of options	4,313	4,313	5,751

Grant 8:

Percentage	30%	30%	40%
Date of vesting	1st Oct 2016	1st Oct 2017	1st Oct 2018
No of options	4,140	4,140	5520

Grant 9:

Percentage	25%	25%	25%	25%
Date of vesting	1st Oct ,2016	1st Oct ,2017	1st Oct ,2018	1st Oct ,2019
No of options	12,000	12,000	12,000	12,000

Note 2: Method and significant assumptions used to estimate the fair value of options granted during the year:

Grant 3:

Method used	Black Scholes Model		
Vesting Schedule	14-Apr-15	14-Apr-16	14-Apr-17
Risk free interest rate	8.94%	8.97%	9.03%
Expected Life	4.0	4.5	5.5
Expected Volatility	33.33%	33.54%	34.21%
Expected Dividends	Nil	Nil	Nil
Price of underlying shares in market at the time of Option grant	NA	NA	NA

Grant 4:

Method used	Black Scholes Model		
Vesting Schedule	1-Oct-15	1-Oct-16	1-Oct-17
Risk free interest rate	8.95%	8.99%	9.05%
Expected Life	4.24	4.97	5.97
Expected Volatility	33.33%	33.54%	34.21%
Expected Dividends	Nil	Nil	Nil
Price of underlying shares in market at the time of Option grant	NA	NA	NA

Grant 5:

Method used	Black Scholes Model		
Vesting Schedule	1-Apr-16	1-Apr-17	1-Apr-18
Risk free interest rate	8.97%	9.02%	9.08%
Expected Life	4.49	5.47	6.47
Expected Volatility	33.33%	33.54%	34.21%

Expected Dividends	Nil	Nil	Nil
Price of underlying shares in market at the time of Option grant	NA	NA	NA

Grant 6:

Method used	Black Scholes Model		
Vesting Schedule	1-Oct-16	1-Oct-17	1-Oct-18
Risk free interest rate	8.98%	9.05%	9.11%
Expected Life	4.74	5.97	6.97
Expected Volatility	33.33%	33.54%	34.21%
Expected Dividends	Nil	Nil	Nil
Price of underlying shares in market at the time of Option grant	NA	NA	NA

Grant 7:

Method used	Black Scholes Model		
Vesting Schedule	1-Apr-16	1-Apr-17	1-Apr-18
Risk free interest rate	8.57%	8.59%	8.61%
Expected Life	4.26	5.02	6.02
Expected Volatility	33.33%	33.54%	34.21%
Expected Dividends	Nil	Nil	Nil
Price of underlying shares in market at the time of Option grant	NA	NA	NA

Grant 8:

Method used	Black Scholes Model		
Vesting Schedule	1-Oct-16	1-Oct-17	1-Oct-18
Risk free interest rate	8.57%	8.60%	8.62%
Expected Life	4.52	5.52	6.52
Expected Volatility	33.33%	33.54%	34.21%
Expected Dividends	Nil	Nil	Nil
Price of underlying shares in market at the time of Option grant	NA	NA	NA

Grant 9

Vesting Schedule	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Risk free interest rate	7.86%	7.94%	8.01%	8.06%
Expected Life	3.71	4.71	5.71	6.71
Expected Volatility	34.49%	33.52%	33.74%	35.57%
Expected Dividends	Nil	Nil	Nil	Nil
Price of underlying shares in market at the time of Option grant	NA	NA	NA	NA

The holders of Equity Shares allotted upon exercise of options do not intend to sell such Equity Shares within three months after the listing of the Equity Shares pursuant to the Offer. Further, none of our Directors, Key

Managerial Personnel or employees hold options under the ESOP Scheme which, upon exercise, will result in allotment of Equity Shares amounting to more than 1% of the issued Equity Share capital of our Company.

5. Except as stated below, our Company has not issued any specified securities at a price that may be less than the Offer Price in the last one year preceding the date of filing of this Draft Red Herring Prospectus.

Date of allotment	Number of Equity Shares	Face value (₹)	Offer price (₹)	Nature of consideration	Reasons/nature of allotment	Allottees	Whether belong to the Promoter Group
November 26, 2014	1,254	3.00	-	Other than cash	Conversion of optionally convertible preference shares of face value of ₹ 3.00 each	Draper Investment Company LLC, and The Hartenbaum Revocable Trust U/A/D 02/03/06	No
	109,948	3.00	-	Other than cash	Conversion of compulsorily convertible preference shares of face value of ₹ 3.00 each	Draper Investment Company LLC and The Hartenbaum Revocable Trust U/A/D 02/03/06	No
December 30, 2014	49,783	3.00	760.00	Cash	Preferential allotment	Murugavel Janakiraman, Canaan VII Mauritius, Mayfield XII, Mauritius, Bessemer Venture Partners Trust, Draper Investment Company LLC and The Hartenbaum Revocable Trust U/A/D 02/03/06.	Murugavel Janakiraman is the Promoter of our Company.
	42,068	3.00	58.65	Cash	Allotment against exercise of options granted under the ESOP Scheme	George Zacharias	No
	164,918	3.00	-	Other than cash	Conversion of compulsorily convertible preference shares of face value of ₹ 3.00 each	Bessemer India Capital Holdings II Ltd.	No
December 31, 2014	2,489,688	3.00	-	Other than cash	Bonus issue of 18 equity shares of ₹ 3.00 each for every 100 equity shares of ₹ 3.00 each held	Murugavel Janakiraman, Indrani Janakiraman, Canaan VII Mauritius, Mayfield XII, Mauritius, Bessemer India Capital Holdings	Murugavel Janakiraman is the Promoter of our Company and Indrani Janakiraman is a member of the Promoter Group

Date of allotment	Number of Equity Shares	Face value (₹)	Offer price (₹)	Nature of consideration	Reasons/nature of allotment	Allottees	Whether belong to the Promoter Group
						II Ltd., Bessemer Venture Partners Trust, Draper Investment Company LLC, The Hartenbaum Revocable Trust U/A/D 02/03/06 and George Zacharias.	
January 27, 2015	8,160,647	3.00	-	Other than cash	Bonus issue of one equity shares of ₹ 3.00 each for every two equity shares of ₹ 3.00 each held	Murugavel Janakiraman, Indrani Janakiraman, Canaan VII Mauritius, Mayfield XII, Mauritius, Bessemer India Capital Holdings II Ltd., Bessemer Ventures Partner Trust, Draper Investment Company LLC, The Hartenbaum Revocable Trust U/A/D 02/03/06, Deepa Murugavel, Ravi Janakiraman and George Zacharias.	Murugavel Janakiraman is the Promoter of our Company and Indrani Janakiraman, Deepa Murugavel and Ravi Janakiraman are members of the Promoter Group
February 5, 2015	74,460	3.00	33.14	Cash	Allotment against exercise of options granted under the ESOP Scheme	K.B. Chandrasekar	No
March 16, 2015	74,028	3.00	-	Other than cash	Conversion of optionally convertible preference shares of ₹ 3.00 each	Canaan VII Mauritius	No

6. Except for any vesting and/or exercise of the options granted pursuant to ESOP Scheme and their consequent conversion into Equity Shares we currently do not intend or propose to alter our Company's capital structure for a period of six months from the Bid Opening Date, by way of split or consolidation of the denomination of Equity Shares or, further issue of Equity Shares (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 issue or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

7. **History of Build up, Contribution and Lock-in of Promoters' Shareholding**

a. Build up of Promoters' equity shareholding in our Company

Details of the build up of equity shareholding of our Promoter are as follows:

Name of the Promoter	Date of allotment/ transfer	No. of Equity Shares	Face value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	% of pre- Offer Capital	% of post- Offer Capital	Nature of consideration	Nature of Transaction
Murugavel Janakiraman	March 20, 2002	5,000	10.00	10.00			Cash	Acquisition from C. Samundeswari
		5,000	10.00	10.00			Cash	Acquisition from C. Shankar
	March 23, 2002	32,600	10.00	10.00			Cash	Preferential allotment
	July 17, 2006	1,000	1.00	525.79			Cash	Preferential allotment
	January 10, 2012	32,879,000	1.00	-			Other than cash	Bonus issue of 77 equity shares of ₹ 1.00 each for every one equity share of ₹ 1 held
	December 30, 2014	16,098	3.00	760.00			Cash	Preferential allotment
	December 31, 2014	2,001,258	3.00	-			Other than cash	Bonus issue of 18 equity shares of ₹ 3.00 each for every 100 equity shares of ₹ 3.00 each held
	January 27, 2015	6,559,678	3.00	-			Other than cash	Bonus issue of one equity shares of ₹ 3.00 each for every two equity shares of ₹ 3.00 each held
	August 4, 2015	(65,491)	3.00	566.99			Cash	Transfer of equity shares of face value ₹ 3.00 each to individuals and body corporates ⁽¹⁾ .
Total		11,768,137*			79.63	[●]		

⁽¹⁾ Transfer of 3,339 equity shares of ₹3.00 each to Taru Mayur and Vibha Srisrimal, 1,764 equity shares of ₹3.00 each to Loyal Textile Mills Limited, 8,903 equity shares of ₹3.00 each to Sriram Subramanya and B. Srinivasan, 4,451 equity shares of ₹3.00 each jointly to Milind Shripad Sarwate and Madhumita Milind Sarwate, 3,561 equity shares of ₹ 3.00 each to GR Ananthapadmanabhan and GR Radhakrishnan, 1,781 equity shares of ₹3.00 each to G Rajendran, 1,960 equity shares of ₹3.00 each to T T Rangarajan, 5,342 equity shares of ₹3.00 each to Xerago E Biz Services Private Limited, 3,561 equity shares of ₹ 3.00 each to Ramesh Shastri jointly with Nagarathna Shastri, 4,409 equity shares of ₹3.00 each to N. Lakshminarayanan and Gopal Srinivasan, 1,781 equity shares of ₹3.00 each to E. Parasuraman and T. Sivakumar and 2,646 equity shares of ₹ 3.00 each to Sailaja.

* The total equity shareholding of Murugavel Janakiraman includes 12 Equity Shares held by him on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹3.00 each to equity shares of face value ₹5.00 each in accordance with EGM resolution dated August 5, 2015.

All the Equity Shares held by the Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, our Promoter has confirmed to our Company and the Book Running Lead Managers that acquisition of the Equity Shares held by him and which will be locked in as Promoter's Contribution has been financed by his own funds/ internal accruals and no loans or financial assistance from any bank or financial institution has been availed for such purpose.

b. Shareholding of our Promoter and Promoter Group

Provided below are details of Equity Shares held by our Promoter and members of the Promoter Group.

S No.	Name of shareholder	Pre-Offer	Post-Offer

		No. of Equity Shares	Percentage of pre-Offer capital (%)	No. of Equity Shares	Percentage of post-Offer capital (%)
Promoter					
1.	Murugavel Janakiraman	11,768,137*	79.63	[●]	[●]
Sub Total (A)			79.63	[●]	[●]
Promoter Group					
1.	Indrani Janakiraman	82,834	0.56	[●]	[●]
2.	Deepa Murugavel	1	negligible	[●]	[●]
3.	Ravi Janakiraman	1	negligible		
Sub Total (B)			0.56	[●]	[●]
Total Promoter & Promoter Group (A+B)			80.19	[●]	[●]

* The total equity shareholding of Murugavel Janakiraman includes 12 Equity Shares held by him on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹3.00 each to equity shares of face value ₹5.00 each on August 5, 2015.

- c. Except for the sale of 65,491 equity shares of ₹ 3.00 each by Murugavel Janakiraman at a price of ₹ 566.99 on August 4, 2015 and purchase of 4,451 equity shares of ₹ 3.00 each by Milind Shripad Sarwate (held jointly with Madhumita Milind Sarwate) from Murugavel Janakiraman at a price of ₹ 566.99 on August 4, 2015, none of our Directors, Promoter, the members of our Promoter Group and their immediate relatives have purchased or sold any securities of our Company or Subsidiaries, during the six months preceding the date of filing this Draft Red Herring Prospectus with SEBI.
- d. There are no financing arrangements whereby the members of our Promoter Group, nor our Promoter, nor our Directors and their relatives have purchased or sold, or financed the purchase of Equity Shares by any other person, other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
- e. None of the Equity Shares held by the Promoter or member of our Promoter Group, are pledged or otherwise encumbered. None of the Equity Shares offered by the Selling Shareholders for sale through the Offer for Sale are pledged or otherwise encumbered.

8. Details of Promoter's contribution locked-in for three years

Pursuant to Regulation 32 and 36(a) of the SEBI Regulations, an aggregate of 20% of the fully diluted post-Offer capital of our Company held by our Promoter* shall be considered as minimum promoter's contribution and locked-in for a period of three years from the date of Allotment ("Promoter's Contribution"). The lock-in of the Promoter's Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock Exchange before the listing of the Equity Shares.

Murugavel Janakiraman, our Promoter has, pursuant to letter dated August 16, 2015, given consent to include such number of Equity Shares held as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution and has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI Regulations. Details of Promoter's Contribution are as provided below:

Name of the Promoter	No. of Equity Shares locked-in	Date of allotment/ transfer**	Face value (₹)	Issue price per Equity Shares (₹)	Nature of transaction	% of pre- Offer Capital	% of the fully diluted post- Offer Capital
Murugavel Janakiraman	[●]*	[●]	[●]	[●]	[●]	[●]	[●]

*Does not include 12 Equity Shares held by Murugavel Janakiraman on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹3.00 each to equity shares of face value ₹5.00 each in accordance with EGM resolution dated August 5, 2015

**Equity Shares were fully paid up on the date of allotment.

The actual number of Equity Shares that would be offered in the Fresh Issue cannot be determined at this stage. Our Company would be able to estimate the number of Equity Shares to be allotted in the Fresh Issue upon finalization of the Offer Price. Consequently, our Company cannot determine the number of Equity Shares that are required to be offered by the Promoter towards Promoter's Contribution at this stage. However, we undertake to update the exact details of the number of Equity Shares forming part of Promoter's Contribution at the time of filing of the Prospectus with the RoC. The Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI Regulations and from persons defined as promoters under the SEBI Regulations. The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter's Contribution under Regulation 33 of the SEBI Regulations. In this computation, as per Regulation 33 of the SEBI Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

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

For such time that the Equity Shares under the Promoter's Contribution are locked in as per the SEBI Regulations, the Promoter's Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Offer and pledge of such Equity Shares is one of the terms of sanction of loan. For such time that they are locked in as per the SEBI Regulations, the Equity Shares held by the Promoter in excess of the Promoter's Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions if the pledge of the Equity Shares is one of the terms of the sanction of the loan. For details regarding the objects of the Offer, see the section titled "*Objects of the Offer*" beginning on page 108.

9. Details of share capital locked-in for one year

Except for (a) the Promoter's Contribution which shall be locked in as above; (b) Equity Shares which are proposed to be transferred as part of the Offer for Sale, and (c) any Equity Shares held by the employees of our Company (who continue to be employees on the date of Allotment) which may be allotted to them under the ESOP Scheme prior to the Offer, the entire pre-Offer equity share capital of our Company (including those Equity Shares held by our Promoter), shall be locked in for a period of one year from the date of Allotment. Additionally, any unsubscribed portion of the Offer for Sale being offered by the Selling Shareholders would also be locked-in for one year from the date of Allotment. Further, Equity Shares held by venture capital funds, foreign venture capital investors and alternate investment funds shall be locked in for a period of one year from the date of purchase of Equity Shares. The Equity Shares held by Bessemer Venture Partners Trust shall be locked in for a period of one year from the date of purchase of Equity Shares or fully-paid up compulsorily convertible securities. The Equity Shares held by Mayfield XII, Mauritius upon conversion of the Investor CCPS held through the FVCI route are exempt from lock-in, in accordance with the SEBI Regulations.

In terms of Regulation 40 of the SEBI Regulations, Equity Shares held by the Promoter and locked-in as Promoter's Contribution may be transferred to any member of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and subject to provisions of the Takeover Code. The Equity Shares held by persons other than the Promoter prior to the Offer, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in the hands of the transferee and subject to the provisions of the Takeover Code.

Lock-in of Equity Shares Allotted to Anchor Investors

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

10. **Sale, purchase or subscription of our Company's securities by our Promoter, Promoter Group and our Directors within three years immediately preceding the date of this Draft Red Herring Prospectus, which in aggregate is equal to or greater than 1% of the pre-Offer capital of our Company.**

Except as stated below, there has been no sale, purchase or subscription of our Company's securities by our Promoter, Promoter Group and our Directors within three years immediately preceding the date of this Draft Red Herring Prospectus, which in aggregate is equal to or greater than 1% of the pre-Offer capital of our Company.

S.No.	Name of Shareholder	Date	Nature of allotment	Number of equity shares of face value ₹ 3 each	Percentage of pre-Offer Equity capital
1.	Murugavel Janakiraman	December 31, 2014	Bonus issue of 18 equity shares of ₹ 3.00 each for every 100 equity shares of ₹ 3.00 each held	2,001,258	8.13
		January 27, 2015	Bonus issue of one equity share of ₹ 3.00 each for every two equity shares of ₹ 3.00 each held	6,559,678	26.63

11. Our shareholding pattern

The table below represents the equity shareholding pattern of our Company before the Offer and as adjusted for this Offer, including the Offer for Sale:

Description	Number of shareholders	Pre Offer (prior to conversion of Investor CCPS)						Pre Offer (post conversion of Investor CCPS)		Post Offer			
Category of Shareholder		Total number of Equity Shares	Number of shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares (A+B)		Shares pledged or otherwise encumbered		Total number of Equity Shares	Total shareholding as a % of total number of Equity Shares	Total number of Equity Shares	Total shareholding as a % of total number of Equity Shares*	Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of (A+B+C)					Number of shares	As a %
Shareholding of Promoters and Promoter Group (A)													
Indian													
Individuals/ Hindu Undivided Family	4	11,850,973*	11,850,973*	80.19	80.19	0.00	0.00	11,850,973*	56.00	[●]	[●]	[●]	[●]
Central Government/ State Government (s)	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Bodies Corporate	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Financial Institutions/Banks	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Any Other	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Foreign													
Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Bodies Corporate (OCBs)	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Institutions/FII	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Any Other	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Total Shareholding of Promoters and Promoter Group (A)	4	11,850,973	11,850,973	80.19	80.19	0.00	0.00	11,850,973	56.00	[●]	[●]	[●]	[●]
Public shareholding (B)													
Institutions (B)(1)													
Mutual Funds/ UTI	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Financial Institutions / Banks	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Central Government/State Government(s)	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Venture Capital Fund	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Insurance Companies	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Foreign Portfolio Investors	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Foreign Venture Capital	2	773,809**	7,115	5.24	5.24	0.00	0.00	2,541,363***	12.01	[●]	[●]	[●]	[●]

Description	Number of shareholders	Pre Offer (prior to conversion of Investor CCPS)						Pre Offer (post conversion of Investor CCPS)		Post Offer			
Category of Shareholder		Total number of Equity Shares	Number of shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares (A+B)		Shares pledged or otherwise encumbered		Total number of Equity Shares	Total shareholding as a % of total number of Equity Shares	Total number of Equity Shares	Total shareholding as a % of total number of Equity Shares*	Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of (A+B+C)					Number of shares	As a %
Investors													
Any other (specify)													
Foreign Company	3	1,994,085	1,562,581	13.49	13.49	0.00	0.00	6,612,203	31.24	[●]	[●]	[●]	[●]
Sub-Total (B)(1)	5	2,767,894	1,569,696	18.73	18.73	0.00	0.00	9,153,566	43.25	[●]	[●]	[●]	[●]
Non-institutions (B)(2)													
Bodies Corporate	2	4,263	4,263	0.03	0.03	0.00	0.00	4,263	0.02	[●]	[●]	[●]	[●]
Individuals													
Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	15	35,023	35,023	0.24	0.24	0.00	0.00	35,023	0.17	[●]	[●]	[●]	[●]
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	1	44,676	0	0.30	0.30	0.00	0.00	44,676	0.21	[●]	[●]	[●]	[●]
Any other (specify)													
Non Resident Indians	1	44,676	0	0.30	0.30	0.00	0.00	44,676	0.21	[●]	[●]	[●]	[●]
Foreign Trust	1	30,751	30,751	0.21	0.21	0.00	0.00	30,751	0.15	[●]	[●]	[●]	[●]
Sub-Total (B)(2)	20	159,389	70,037	1.08	1.08	0.00	0.00	159,389	0.75	[●]	[●]	[●]	[●]
Total Public Shareholding (B) = (B)(1)+(B)(2)	25	2,927,283	1,639,733	19.81	19.81	0.00	0.00	9,312,955	44.00	[●]	[●]	[●]	[●]
(C) Shares held by custodians and against which Depository receipts have been issued													
Promoter and Promoter Group	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
Public	0	0	0	0.00	0.00	0.00	0.00	0	0.00	[●]	[●]	[●]	[●]
GRAND TOTAL (A)+(B)+(C)	29	14,778,256	13,490,706	100.00	100.00	0.00	0.00	21,163,928	100.00	[●]	[●]	[●]	[●]

* Includes the 12 Equity Shares held by Murugavel Janakiraman on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹3.00 each to equity shares of face value ₹5.00 each on August 5, 2015.

**Of these, 766,694 Equity Shares are held by Mayfield XII, Mauritius through the FDI route.

***Of these 2,308,686 Equity Shares are held by Mayfield XII, Mauritius through the FDI route.

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

Details of our Directors and Key Managerial Personnel who hold Equity Shares as on date of this Draft Red Herring Prospectus are as follows:

Name	No. of Equity Shares	Percentage of pre-Offer capital
Murugavel Janakiraman	1,17,68,137*	79.63
Deepa Murugavel	1	Negligible
George Zacharias	44,676	0.30
Milind Shripad Sarwate (held jointly with Madhumita Milind Sarwate)	2,670	0.02
Total	11,815,484	79.95

* The total equity shareholding of Murugavel Janakiraman includes 12 Equity Shares held by him on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹3.00 each to equity shares of face value ₹5.00 each on August 5, 2015.

13. Public shareholders holding more than 1% of the pre-Offer paid-up capital of our Company

The details of the public shareholders holding more than 1% of the pre-Offer paid-up capital of our Company and their pre-Offer and post-Offer shareholding are set forth in the table below:

Name of Shareholder	Pre-Offer		Post-Offer	
	No. of Equity Shares	Percentage	No. of Equity Shares	Percentage
CMDB II	431,504*	2.92	[●]	[●]
Mayfield XII, Mauritius	766,694*	5.19	[●]	[●]
Bessemer India Capital Holdings II Ltd.	1,461,006	9.89	[●]	[●]

* Upon conversion of the Investor CCPS, CMDB II and Mayfield XII, Mauritius will be allotted 4,618,118 and 1,767,554 Equity Shares respectively, in accordance with the terms of the Shareholders' Agreement, the Amendment Agreement and the Deed of Adherence.

14. Our Company, our Directors or the Book Running Lead Managers have not entered into any buy-back and/or standby and/or any other similar arrangements for the purchase of Equity Shares being offered through this Offer.
15. Over-subscription to the extent of 10% of the Net Offer can be retained for the purpose of rounding off to the nearest multiple of the minimum Allotment lot while finalising the Basis of Allotment.
16. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus. The Equity Shares issued pursuant to this Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.
17. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Selling Shareholders, the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. Balance Equity Shares arising out of under-subscription, if any, in the Employee Reservation Portion will be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted to be met with spill over from the Employee Reservation Portion, subject to compliance with Rule 19(2)(b) of the SCRR.
18. **Top ten shareholders**
- (a) Our top Equity Shareholders and the number of Equity Shares held by them, as on the date of this Draft Red

Herring Prospectus:

S. No.	Shareholder	No. of Equity Shares Held	Number of Investor CCPS held	Percentage of pre-Offer Equity capital	Percentage of post-Offer capital
1.	Murugavel Janakiraman	11,768,137*	Nil	79.63	[●]
2.	Besemer India Capital Holdings II Ltd.	14,61,006	Nil	9.89	[●]
3.	Mayfield XII, Mauritius	766,694	998,618 **	5.19	[●]
4.	CMDB II	431,504	2,609,106 **	2.92	[●]
5.	Draper Investment Company LLC	1,01,575	Nil	0.69	[●]
6.	Indrani Janakiraman	82,834	Nil	0.56	[●]
7.	The Hartenbaum Revocable Trust U/A/D 02/03/06	30,751	Nil	0.21	[●]
8.	Besemer Venture Partners Trust	7,115	Nil	0.05	[●]
9.	George Zacharias	44,676	Nil	0.30	[●]
10.	K.B. Chandrasekar	44,676	Nil	0.30	[●]
	Total	14,738,968	3,607,724*	99.73	[●]

*The total equity shareholding of Murugavel Janakiraman includes 12 Equity Shares held by him on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹3.00 each to equity shares of face value ₹5.00 each on August 5, 2015.

** Upon conversion of the Investor CCPS, CMDB II and Mayfield XII, Mauritius will be allotted 4,618,118 and 1,767,554 Equity Shares respectively, in accordance with the terms of the Shareholders' Agreement, the Amendment Agreement and the Deed of Adherence.

- (b) Our top ten Equity Shareholders and the number of Equity Shares held by them ten days prior to filing of this Draft Red Herring Prospectus:

S. No.	Shareholder	No. of Equity Shares Held	Number of Investor CCPS held	Percentage of pre-Offer Equity capital	Percentage of post-Offer capital
1.	Murugavel Janakiraman	11,768,137*	Nil	79.63	[●]
2.	Besemer India Capital Holdings II Ltd.	1,461,006	Nil	9.89	[●]
3.	Mayfield XII, Mauritius	766,694	998,618 **	5.19	[●]
4.	CMDB II	431,504	2,609,106 **	2.92	[●]
5.	Draper Investment Company LLC	101,575	Nil	0.69	[●]
6.	Indrani Janakiraman	82,834	Nil	0.56	[●]
7.	The Hartenbaum Revocable Trust U/A/D 02/03/06	30,751	Nil	0.21	[●]
8.	Besemer Venture Partners Trust	7,115	Nil	0.05	[●]
9.	George Zacharias	44,676	Nil	0.30	[●]
10.	K.B. Chandrasekar	44,676	Nil	0.30	[●]
	Total	14,738,968	3,607,724*	99.73	[●]

*The total equity shareholding of Murugavel Janakiraman includes 12 Equity Shares held by him on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹3.00 each to equity shares of face value ₹5.00 each on August 5, 2015.

** Upon conversion of the Investor CCPS, CMDB II and Mayfield XII, Mauritius will be allotted 4,618,118 and 1,767,554 Equity Shares respectively, in accordance with the terms of the Shareholders' Agreement, the Amendment Agreement and the Deed of Adherence.

- (c) Our top ten Equity Shareholders two years prior to filing of this Draft Red Herring Prospectus:

S. No.	Shareholder	No. of Equity Shares Held	Percentage of Equity holding
1.	Murugavel Janakiraman	11,102,000	82.46
2.	Besemer India Capital Holdings II Ltd.	1,210,794	8.99

S. No.	Shareholder	No. of Equity Shares Held	Percentage of Equity holding
3.	Mayfield XII, Mauritius	715,234	5.31
4.	Canaan VII Mauritius	357,604	2.66
5.	Indrani Janakiraman	78,000	0.58
	Total	13,463,632	100.00

For details relating to the cost of acquisition of Equity Shares by the above shareholders, see the sub-section titled “*Risk Factors – Prominent Notes*” on page 42.

19. The Book Running Lead Managers or their associates do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The Book Running Lead Managers and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
20. No person connected with the Offer, including, but not limited to, the Book Running Lead Managers, the members of the Syndicate, our Company, the Directors, the Promoter, members of our Promoter Group and Group Companies and Entities, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
21. Our Company has not raised any bridge loans against the Net Proceeds.
22. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
23. Other than options outstanding under the ESOP Scheme and the Investor CCPS, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into our Equity Shares as on date of this Draft Red Herring Prospectus.
24. Except for the Fresh Issue, conversion of the Investor CCPS, exercise of ESOPs granted under the ESOP Scheme and as otherwise described in this Draft Red Herring Prospectus, 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 the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchange.
25. Other than to the extent of Equity Shares being offered by Indrani Janakiraman in the Offer for sale, our Promoter, members of our Promoter Group and Group Entities will not participate in this Offer.
26. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
27. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
28. Our Company shall ensure that transactions in Equity Shares, if any by the Promoter and the Promoter Group during the period between the date of registering the RHP with the RoC and the date of closure of the Offer shall be reported to the Stock Exchange within 24 hours of such transactions.

OBJECTS OF THE OFFER

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Offer for Sale

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

Objects of the Fresh Issue

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

(In ₹million)

Particulars	Amount
Gross proceeds of the Fresh Issue	3,500.00
(Less) Offer related expenses in relation to the Fresh Issue*	[●]
Net Proceeds	[●]

*To be finalised upon determination of the Offer Price.

After deducting the Offer related expenses in relation to the Fresh Issue, we estimate the proceeds of the Fresh Issue to be ₹ [●] million (“**Net Proceeds**”). The objects for which our Company intends to use the Net Proceeds are:

1. Advertising and business promotion activities;
2. Purchase and development of office premises in Chennai for use by our product development team;
3. Repayment of our overdraft facilities;
4. Procurement of hardware and software requirements for a centrally controlled contact centre; and
5. General corporate purposes.

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

Requirement of funds and proposed schedule of deployment

We intend to utilize the Net Proceeds as per details set forth below:

(In ₹million)

Particulars	Total Estimated Cost	Amount to be deployed from the Net Proceeds in		
		Fiscal 2016	Fiscal 2017	Fiscal 2018
Advertising and business promotion activities	1,500.37	286.31	562.28	651.78
Purchase and development of office premises in Chennai for use by our product development team	343.98	-	343.98	-
Repayment of our overdraft facilities	287.40	287.40	-	-
Procurement of hardware and software requirements for a centrally controlled contact centre	174.05	174.05	-	-
General corporate purposes [#]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]

[#] The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.

* As certified by Kumar Bagri & Associates, Chartered Accountants, pursuant to their certificate dated August 12, 2015, as on August 12, 2015, no amounts have been deployed by our Company towards any of the objects of the Fresh Issue.

The above fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current business needs and are subject to revisions in light of changes in costs, financial condition, business, strategy or external circumstances which may not be in our control and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. For further details, see the section titled “*Risk Factors - The objects of the Fresh Issue for which the funds are being raised have not been appraised by any bank or financial institutions. Further,*

the deployment of the Net Proceeds is at the discretion of our Company and is not subject to monitoring by any independent agency” on page 35. In case of any surplus after utilization of the Net Proceeds for the stated objects, we may use such surplus towards general corporate purposes.

In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Offer. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Fresh Issue, we may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

Details of the Objects

1. Advertising and business promotion activities

We engage in advertising campaigns through various media, including television, internet, radio, outdoor and print media. Such advertising campaigns are typically either of a general nature related to our Company, or focussed on specific services, either existing or newly introduced, being provided by our Company. We may also carry out other promotional activities, such as campaigns to increase customer acquisition through our mobile applications and to increase our presence on social networks.

The primary objective of our matchmaking business is to facilitate marriages between individuals seeking prospective partners. The nature of this business involves considerable customer churn, given that we lose customers on an ongoing basis when they find suitable matches. To address this, we are required to indulge in extensive advertising, brand building and business promotion initiatives in order to attract new customers to register on our website and to ensure that we maintain a critical mass of members on our websites at all points of time.

In furtherance of our micro-market strategy, we offer a range of targeted and customised matchmaking products such as CommunityMatrimony, which is a consortium of over 300 community matrimonial websites, and personalised matchmaking services such as EliteMatrimony and AssistedMatrimony. Our advertising and business promotion activities are therefore, required to be tailored to showcase not only our Bharatmatrimony brand, but our regional, religious, community, vernacular and caste-based matrimonial brands and personalised matrimonial brands as well. Accordingly, we are required to invest significant resources for advertising in regional and local community channels (such as regional and vernacular television channels and radio frequencies) as well as advertising targeted to specific demographics (such as higher net worth individuals for EliteMatrimony), and in particular, in geographical markets that we plan to penetrate, in accordance with our business strategies.

Furthermore, our revenues from matchmaking services are significantly driven by the growth in our paid subscribers. Consequently, we need to invest, on a continuing basis, in advertising initiatives that are driven towards conversion of our existing free subscribers to paid subscribers as well as up-selling higher value subscription packages to our existing paying customers.

Our total advertising expenses, which we refer to as “advertisement and business promotion expenses” in our Restated Consolidated Summary Statements, were ₹ 462.40 million, ₹ 481.38 million and ₹ 532.52 million during Fiscals 2013, 2014 and 2015, respectively, on a consolidated basis and constituted 26.79%, 24.78% and 23.66% of our total expenses for such periods, respectively, on a consolidated basis. We intend to continue to invest significant resources to further establish our brand through advertising and business promotion activities.

For additional details, see the section titled “*Our Business – Marketing*” on page 162.

In addition to our engagement on any other form of media towards our advertising and brand building activities which shall be funded by internal accruals, we propose to deploy ₹ 1,500.37 million over Fiscals

2016, 2017 and 2018 out of the Net Proceeds towards placing advertisements on television channels and the internet, as below.

(i) Advertising on television channels

We undertake advertising on television channels through campaigns prepared by our advertising team, in liaison with advertising agencies from time to time, for segments on television programmes. For deploying such advertisements, we are required to purchase time slots from media agencies on the relevant television channels.

The quantum of advertising time that we purchase on television channels, as well as the mix of television channels that we deploy advertisements on is driven primarily by the objective of the underlying advertising campaign. For instance, in an acquisition based campaign, where the objective is to drive higher registration in under-penetrated markets, we purchase higher advertising time on “higher reach” channels, which are channels that are likely to be viewed by a larger number of households in the target population. We believe that this ensures that the viewership of our advertisements are higher and showcases our brand to a larger target audience. However, while undertaking a conversion based campaign, where the objective is to drive conversion from free users to paid users, and up-sell higher value subscription packages, we purchase higher advertising time on “higher frequency channels”, which are channels that are likely to be viewed by target households for larger periods of time. We believe that this ensures that our paid services and their advantages over free services receive additional viewership from individuals that are already aware of our brands. Additionally, we factor in target audience characteristics viz. age profile, language preferences, etc. and consultations with advertising agencies on trending television programmes and our analysis of customer acquisition/ conversion trends subsequent to earlier advertising campaigns, in formulating the eventual television channel and advertising time mix.

To further advertising and business promotion activities through television channels, we have entered into an agreement with M/s R. K. Swamy Media Group, a division of R K Swamy BBDO Private Limited (who has been associated with us in the past as a media buying agency for purchase of advertising time slots on radio and television channels) (“**R K Swamy**”) dated July 24, 2015 (“**Advertising Slot Purchase Agreement**”), whereby, R K Swamy has been engaged, on a non-exclusive basis, as the media buying agency of our Company. In terms of the Advertising Slot Purchase Agreement, R K Swamy’s scope of work will include planning and buying advertising time slots on television channels. The Advertising Agreement is valid until March 31, 2018. Based on the quotation dated July 23, 2015 received from R K Swamy (“**Quotation Letter**”) we have estimated the purchase of 1,653.06 hours of advertising time slots on television channels in Fiscals 2016, 2017 and 2018 (489.77 hours in Fiscal 2016, 583.42 hours in Fiscal 2017 and 579.87 hours in Fiscal 2018).

In terms of the Quotation Letter, an advertising time slot of ten seconds on high viewership programmes, in prime time, on national higher reach channels may cost between ₹ 5,000 to ₹ 90,000, and on regional higher reach channels, between ₹ 100 to ₹ 42,000 to purchase. A similar duration time slot on more niche national higher frequency channels may cost between ₹ 500 to ₹ 7,000, and on regional higher frequency channels, between ₹ 100 to ₹ 5,000. Based on such estimates, we propose to utilise a total of ₹ 1,012.88 million from the Net Proceeds during Fiscals 2016, 2017 and 2018 towards purchase of advertising slots on television channels.

As stated earlier, our deployment of advertising campaigns on television is contingent on various factors, such as the nature of the advertising campaign, ratings of programmes or segments, expected viewership of our advertisements during certain time-slots and segments, and our Company’s business and marketing plans. Accordingly, we may choose to purchase more advertising time for certain desirable specific channels or segments and less advertising time in other channels or segments, in variance to that mentioned in the Quotation Letter, subject to the overall deployment of ₹ 1,012.88 million from the Net Proceeds for this purpose.

We confirm that we, our Promoters and Directors are not associated with R K Swamy in any manner.

(ii) Online advertising

In relation to our online marketing initiatives, we have arrangements with various online search engines and other platforms, such as Google and Facebook for various forms of online advertising. We undertake online advertising primarily through bidding for certain key “ad-words”. A search conducted by a user on such an ad-word would typically lead to display of our advertising material on the search-results page. On social networking websites, we also utilise analytics, such as analysis of age group, language, interests and hobbies of a user to place our advertising material on segments of websites that the user is more likely to visit and interest-based groups and communities. Additionally, from time to time, we engage independent entities to conduct independent online campaigns that result in acquisition of profiles on our websites. Furthermore, we also place our advertising material on certain vernacular websites. We also utilise in-house “search engine optimisation”, by virtue of which we align and re-program our websites to ensure that our websites feature in the top search results in response to users searching for matrimonial or marriage related services.

For such advertising activities, we are typically required to make payments to the relevant online platform of a certain amount per click-through by a user. Such platforms may also charge us for conducting online advertising campaigns on their webpage. We may also be required to make payments to the relevant platform of a certain amount per “impression”, which refers to merely the display of our advertising material on the relevant website. Additionally, in relation to our acquisition-based advertising, we are required to pay the relevant acquiring entity a fixed amount for every profile acquired by such entity and registered on our websites. However, the rates charged by online platforms on per-click through or per-impression or per-campaign or per-acquisition are fluctuating in nature. Further, it would not be possible to estimate the total number of click-throughs that we expect to obtain, and impressions that are expected to be viewed by users, or campaigns that we expect to deploy on various online platforms, or profiles that we expect to acquire at this point of time. Consequently, our estimate of the portion of the Net Proceeds to be deployed towards online marketing activities is based on our historic online advertising spend, as provided below.

In Fiscals 2013, 2014 and 2015, our expenses towards online advertising were ₹ 208.90 million, ₹190.50 million and ₹ 182.30 million, respectively, and our online advertising spend has ranged from around ₹ 45.00 million to ₹ 57.00 million on a quarterly basis in Fiscal 2013, around ₹ 47.00 million to ₹ 51.00 million in Fiscal 2014 and ₹ 37.00 million to ₹ 52.00 million in Fiscal 2015. Based on our historical online advertising expenses, we propose to utilise a total of ₹ 487.49 million from the Net Proceeds during Fiscals 2016, 2017 and 2018 (namely, ₹ 95.79 million in Fiscal 2016, ₹ 189.40 million in Fiscal 2017 and ₹ 202.30 million in Fiscal 2018) for funding online marketing activities through various online advertising channels, as described above.

We may, in accordance with our overall marketing strategy and based on the prevailing rates of online advertising, chose to adopt a combination of marketing channels for our online marketing activities, such as focusing on certain key ad-words, deploying advertising material on specific vernacular websites, targeting specific user groups and communities and increasing our search-engine optimisation efforts, subject to the overall deployment of ₹ 487.49 million from the Net Proceeds towards online marketing activities.

2. Purchase and development of office premises in Chennai for use by our product development team

We propose to utilise ₹ 343.98 million from the Net Proceeds for purchase and development of office space for utilisation by our product development team. The proposed office space comprises of two floors in SKCK Infinite Towers in Chennai with an estimated super built up area of 18,306 sq. feet, that is currently

under construction, which we intend to purchase from Sri Kausalya Constructions Limited (“SKCL”). While the office space will be acquired on a “plug and play” basis and will be pre-furnished with certain fixtures and fittings, we further intend to install certain additional fixtures and fittings (that are not included in the overall property cost) after such office space is acquired by us. Once operationalized, we propose to shift our product development team from the current leased premises at Adayar, Chennai to the new office premises. We believe that this will improve our operational efficiencies, including on account of reduction of our lease rental costs.

SKCL, the vendor of the premises, is a public limited company incorporated under the Companies Act, 1956, having its address at No. 4, No.4, Jayalakshmipuram, 1st Street, Nungambakkam, Chennai – 600 034. It is engaged in the business of real estate and property development. We, our Promoter or our Directors are not related to SKCL in any manner.

The estimated cost of purchase and development of these office premises is estimated to be ₹ 343.98 million. A detailed breakdown of the estimated cost of purchase and development of the office premises is provided below:

(In ₹ million)		
S no.	Particulars	Total Estimated Cost
1.	Office premises, along with furnishings and fit-outs	301.55
2.	Stamp duty and registration	24.16
3.	Brokerage	1.51
4.	Setting up of local area network connection	15.86
5.	Setting up of fire alarms	0.50
6.	Setting up of CCTV systems	0.40
	Total	343.98

Cost of the office premises, along with furnishing and fit-outs

We propose to purchase the abovementioned office premises, once fully constructed from SKCL. The office premises are proposed to be located over a super built up area of 18,306 sq. feet, in a building that is estimated to complete construction by April 2016. Pursuant to a letter of intent dated August 6, 2015 (“SKCL LoI”), SKCL has agreed to enter into a sale deed with us for the office space after completion of satisfactory due diligence by our legal team and obtainment by SKCL of a completion certificate from the Chennai Metropolitan Development Authority (“CMDA”). By our letter dated August 7, 2015, we have accepted the terms and conditions of the SKCL LoI, and also furnished a token booking amount of ₹ 0. 50 million, which has been funded from our internal accruals. Accordingly, we propose to fund the balance purchase amount of ₹ 301.55 million from the Net Proceeds. The balance amount will be paid by our Company upon receipt, by SKCL, of the completion certificate for the office premises from CMDA.

In terms of the SKCL LoI, the sale price for the office premises is estimated to be ₹ 302.05 million, at ₹ 16,500 per sq. foot for the super built up area of 18,306 sq. feet. Furthermore, the SKCL LoI provided that such sale consideration will also entitle us to an undivided share in 5,594.60 sq. feet of land over which the building is constructed, car and bike parking space, electricity board deposit and connection, metro water connection and sewerage connection and furnishing and fitouts including:

S no.	Furnishing/ fixture	Number
1.	Workstations	191
2.	Reception area	2
3.	Waiting seats	15
4.	20-seater conference room	1
5.	10-seater conference room	1
6.	12-seater meeting room	1
7.	4-seater discussion room	4
8.	CPO Cabin	2
9.	Manager Cabin	3
10.	Cabins	3

S no.	Furnishing/ fixture	Number
11.	Pantry (accommodating 24 individuals)	2
12.	Hub room	1
13.	Store room	1
14.	UPS/ Server room	1

Stamp duty and registration charges

In terms of the SKCL LoI, stamp duty and registration charges incurred in relation to the purchase of the office premises are to be borne by us, and are chargeable at the rate of 8% of the total purchase cost of the premises, and aggregate to ₹ 24.16 million.

Brokerage costs

We had engaged CBRE South Asia (Private) Limited (“**CBRL**”) for providing brokerage services, in connection with the purchase of the office premises. By their letter dated August 7, 2015, CBRL has informed us that it will charge a fee of 0.5% of the total sale consideration of the office premises at the time of signing of the sale deed (exclusive of service tax). According, an amount of ₹ 1.51 million will be utilised by us from the Net Proceeds for providing brokerage fees to CBRL in connection with the purchase of the office premises, once constructed.

Costs for setting up local area network connection

We intend to set up a local area network (“**LAN**”) for connecting computer systems of various employees who will carry out the operations from the office premises. The LAN setup will comprise *inter alia*, of network racks, port switches, EPBAX, firewalls and wireless access points. We propose to utilise ₹ 15.86 million from the Net Proceeds to set up the LAN network, and such estimated costs are in terms of the price-quotation letter dated August 7, 2015 provided by La Providence Systems.

Costs for setting up fire alarms

We propose to set up a fire alarms and associated smoke detectors and other equipment at the office premises, and propose to utilise ₹ 0.50 million from the Net Proceeds (inclusive of certain taxes) to this effect. Our estimated costs are in terms of the price-quotation letter dated August 7, 2015 provided by Nutech Solutions.

Costs for setting up CCTV systems

In order to minimise the chances of employee fraud, data theft and ensure the privacy of our data and electronic systems, we intend to install CCTV systems at our new office premises, and associated hardware, and propose to utilise ₹ 0.40 million from the Net Proceeds (inclusive of certain taxes) to this effect. Our estimated costs are in terms of the price-quotation letter dated August 7, 2015 provided by Nutech Solutions.

We confirm that there have been no transactions in the last two years relating to the office premises proposed to be purchased from the Net Proceeds, in which SKCL (the vendor of the premises), or any person who was a promoter, director or proposed director of our Company had any direct or indirect interest.

3. *Repayment of our overdraft facilities*

We have availed of certain overdraft facilities from HDFC Bank Limited and Indian Overseas Bank. As on July 31, 2015, an amount of ₹ 287.40 million was outstanding from these facilities. For further details, see the section titled “*Financial Indebtedness*” on page 345.

We intend to utilise an amount of ₹ 287.40 million out of the Net Proceeds in Fiscal 2016 to repay in full, amounts outstanding in each of our overdraft facilities. Repayment of these facilities would help us in maintaining a favourable debt-equity ratio and enhance our leveraging capability. As certified by Kumar Bagri & Associates, Chartered Accountants, our overdraft facilities have been utilised by us in accordance with the terms and conditions of their sanction.

We may be required to notify some of our lenders prior to the repayment, which we shall do prior to such repayment.

4. *Incur expenditure for funding hardware and software requirements for a centrally controlled contact centre*

Our customer contact centre system is currently distributed over 15 teleservice hubs across the country, each equipped for inbound and outbound communication channels with our customers. We propose to upgrade the network infrastructure across these 15 teleservice hubs, create a centrally controlled contact centre in Chennai, and set up a wide area network among these 15 teleservice hubs having interconnectivity with the proposed customer contact centre.

We believe that these initiatives will help us to ensure better uptime and information security of our customer resources management system and integrate various customer communication channels, such as e-mail, online chat, telephone and SMS. The proposed unified customer contact centre, connected with the 15 branches will also assist in maintaining customer interaction context and history in a uniform and optimal manner, which we can leverage to conduct campaign analytics and target specific customer segments for marketing campaigns.

We propose to utilise ₹ 174.05 million from the Net Proceeds in Fiscal 2016 to purchase certain hardware and software required for the unified centralised contact centre and the teleservice hubs. The hardware for the contact centre will be set up at hired server space at Tata Communications Data Centers Private Limited, Chennai (“**TCL Chennai**”), and the costs associated with hiring of the server space will be met from internal accruals. By virtue of its letter dated July 30, 2015, TCL Chennai have expressed their ability to provide such server space, subject to conditions including its general terms and conditions and finalisation of commercial terms and feasibility of space and power availability. Our Company has obtained price quotations from suppliers of such related hardware and software, in relation to such proposed purchases, details of which are set forth below. We expect to complete setting up of the proposed contact centre during Fiscal 2017.

Description of Hardware/ Software	Name of supplier	Date of price quotation	Estimated Purchase Quantity (Per Unit)		Rate per Unit* (in ₹ million)	Aggregate Amount (in ₹ million) [#]
Enterprise wide network security infrastructure (for the main data-centre)	DigitalTrack Solutions Private Limited	June 25, 2015	2		2.70	5.56 ⁽¹⁾
Enterprise wide network security infrastructure (for 13 offices)	DigitalTrack Solutions Private Limited	June 25, 2015	13		0.49	6.55 ⁽²⁾
Dell servers, modular blade enclosure and switch modules	CARE IT Solutions Private Limited	July 24, 2015	M1000e Modular blade enclosure	2	0.45	0.91
			M630 blade server	8	0.58	4.61
			M8024-k switch module	4	0.54	2.16
			M8024-k switch module	4	0.43	1.71
			Total			9.39

Description of Hardware/ Software	Name of supplier	Date of price quotation	Estimated Purchase Quantity (Per Unit)	Rate per Unit* (in ₹ million)	Aggregate Amount (in ₹ million) [#]
Headsets (for use at 14 offices)	Green Network	June 24, 2015	2,100	0.003	6.41
Power edge servers	CARE IT Solutions Private Limited	July 24, 2015	14	0.38	5.36
Enterprise wide storage solution (for the main data-centre)	DigitalTrack Solutions Private Limited	June 25, 2015	2	9.34	18.68
CISCO switches (for 14 offices)	DigitalTrack Solutions Private Limited	June 25, 2015	28	0.33	9.47 ⁽³⁾
National Call centre project based on Aspect Unified IP (for the main data-centre and fourteen offices)	C S Infocomm Private Limited	December 2, 2014	1	112.28	112.28
Switches (for the main data-centre)	CARE IT Solutions Private Limited	July 24, 2015	2	0.17	0.35
Total					174.05

*Exclusive of applicable central and sales taxes.

[#] Any increase in estimated amount on account of price escalation shall be funded by our Company through its internal accruals and/or through utilization of Net Proceeds deployed towards general corporate purposes, subject to applicable law.

⁽¹⁾Including implementation and on-site support charges for three years of ₹0.15 million.

⁽²⁾Including implementation and on-site support charges for three years of ₹0.20 million.

⁽³⁾Including remote implementation charges of ₹0.20 million.

Note- All discrepancies between prices of individual hardware/ software and the total cost is on account of rounding off.

No second-hand equipment is proposed to be purchased out of the Net Proceeds.

4. **General Corporate Purposes**

We intend to deploy the balance Net Proceeds, if any, for general corporate purposes, as may be approved by our management, including the following:

- (i) Strengthen our network capabilities;
- (ii) operating expenses; and
- (iii) meeting on-going general corporate exigencies.

We, in accordance with the policies of our Board, will have flexibility in utilising the Net Proceeds for general corporate purposes, as mentioned above, subject to such utilization not exceeding 25% of the gross proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Working capital requirement

The Net Proceeds will not be used to meet our working capital requirements. We expect to meet our working capital requirements in the future through internal accruals or availing of new lines of credit.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. The expenses of this Offer shall include, among others, underwriting and management fees, selling commissions, SCSBs' commissions/fees, printing and distribution expenses, legal fees, issue advertisement expenses, registrar and depository fees and listing fees.

All Offer related expenses shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares in the Fresh Issue and the Offer for Sale, respectively, in accordance with applicable law.

The estimated Offer expenses are as under:

(₹ in million)			
Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the BRLMs	[●]	[●]	[●]
Commission and processing fees for SCSBs**	[●]	[●]	[●]
Brokerage and selling commission for Registered Brokers	[●]	[●]	[●]
Registrar to the Offer	[●]	[●]	[●]
Other advisors to the Offer	[●]	[●]	[●]
Bankers to the Offer	[●]	[●]	[●]
Others:			
(i) Listing fees;	[●]	[●]	[●]
(ii) Printing and stationery expenses;	[●]	[●]	[●]
(iii) Monitoring agency;	[●]	[●]	[●]
(iv) Advertising and marketing for the Offer; and	[●]	[●]	[●]
(v) Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

*Will be incorporated at the time of filing of the Prospectus.

** Disclosure of commission and processing fees will be incorporated at the time of filing the Red Herring Prospectus. SCSBs would be entitled to a processing fee of ₹ [●] per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate and submitted to SCSBs.

Appraisal and Bridge Loans

The above fund requirements have not been appraised by any bank or financial institution. Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Means of Finance

The entire requirements of each the objects detailed above are intended to be funded completely from the Net Proceeds. Accordingly, we confirm that there is no need for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the Net Proceeds.

Interim Use of Net Proceeds

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934.

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Fresh Issue size is less than ₹ 5,000 million. Our Audit Committee shall monitor the utilization of the proceeds of the Offer. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all proceeds of the Offer that have not been utilised thereby also indicating investments, if any, of the unutilized proceeds of the Offer in our balance sheet for the relevant financial years.

Pursuant to Clause 49 of the Equity Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee the use and application of the Net Proceeds. Additionally, the Audit Committee shall make recommendations to our Board for further action, if appropriate. Till such time as all the Offer Proceeds have been

utilized in full, our Company shall prepare an annual statement, certified by our Statutory Auditors, of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee.

Further, in terms of Clause 43A of the Equity Listing Agreement, our Company will furnish a quarterly statement to the Stock Exchange indicating material deviations, if any, in the use of proceeds from the objects stated in this Draft Red Herring Prospectus. This information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Clause 41 of the Equity Listing Agreement and would be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Clause 49 of the Equity Listing Agreement.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Directors, Key Management Personnel and the members of our Promoter Group or Group Entities, except in the ordinary course of business.

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects, unless authorised by our shareholders in a general meeting by way of a special resolution. Additionally, the notice in respect of such resolution issued to the shareholders shall contain details as prescribed under the Companies Act, 2013 and such details of the notice, clearly indicating the justification for such variation, shall also be published in one English and one vernacular newspaper in the city where the registered office of our Company is situated, as per the Companies Act, 2013 and the rules framed there under. Pursuant to the Companies Act, 2013, our Promoter or controlling shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, in accordance with the AoA, and as may otherwise be prescribed by SEBI.

We further confirm that the Net Proceeds shall not be used for buying, trading or otherwise dealing in equity shares of any other listed company.

BASIS FOR OFFER PRICE

The Offer Price will be decided by our Company in consultation with the Selling Shareholders and BRLMs on the basis of assessment of market demand for the offered Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 5 per share and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the higher end of the Price Band.

Investors should also refer to the sections “*Risk Factors*” and “*Financial Information*” and the chapter “*Our Business*” beginning on pages 15, 209 and 149, respectively, to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

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

1. Large database of profiles and consequential network effect;
2. Micro-market strategy and customized or personalized services;
3. Strong consumer brand;
4. Wide on-the-ground network for customer acquisition and support;
5. Robust technology and analytics; and
6. Efficient business model.

For a detailed discussion of the above qualitative factors, which form the basis for computing the Offer Price, please see the chapter “*Our Business*” and the section “*Risk Factors*” beginning on pages 149 and 15, respectively.

QUANTITATIVE FACTORS

Some of the information presented in this section relating to our Company is derived from our Company’s Financial Statements for fiscal years 2015, 2014 and 2013, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations. For more details on the financial information, please see the section “*Financial Information*” beginning on page F1. The ratios presented below from the Financial Statements are post-consolidation of shares.

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

These ratios have been computed after considering the retrospective adjustment to the consolidation of share capital mentioned in the sections below,

1. Basic and Diluted Earnings Per Share (“EPS”) post consolidation of shares (Refer note 3 below)

- a. As per Restated Unconsolidated Summary Statements (based on total operations of the company):

Period	Basic EPS (₹)	Diluted EPS (₹)	Weights
Fiscal 2015	(3.07)	(3.07)	3
Fiscal 2014	(5.76)	(5.76)	2
Fiscal 2013	6.62	4.49	1
Weighted	(2.35)	(2.71)	

Average			

- b. As per Restated Consolidated Summary Statements (based on total operations of the company):

Period	Basic EPS (₹)	Diluted EPS (₹)	Weights
Fiscal 2015	(2.01)	(2.01)	3
Fiscal 2014	(6.41)	(6.41)	2
Fiscal 2013	7.28	4.94	1
Weighted Average	(1.93)	(2.32)	

Note 1: EPS can be defined as below:

Basic EPS: Net profit after taxes (as restated) from total operations attributable to equity shareholders divided by weighted average number of equity shares outstanding during the year.

Diluted EPS: Net profit after taxes (as restated) from total operations divided by weighted average number of diluted equity shares outstanding during the year.

Note 2: Weighted average number of equity shares: Number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

The EPS has been calculated in accordance with Accounting Standard 20 – “Earnings Per Share” issued by the Institute of Chartered Accountants of India.

Note 3: Subsequent to March 31, 2015, the Board of Directors of the Company have, in their meeting held on August 5, 2015 approved the consolidation of the shares as follows - every 5 (Five) existing equity shares of nominal face value of ₹ 3/- (Rupee Three Only) each fully paid up into 3 (Three) Equity Shares of nominal face value of ₹ 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of ₹ 3/- (Rupee Three Only) each fully paid up into 3 (Three) Preference Shares of nominal face value of ₹ 5/- (Rupees Five Only) each fully paid-up. Accordingly, the accounting ratios post such consolidation of shares has been disclosed.

2. Price Earning Ratio (“P/E”) in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of face value of ₹5 each

- a. P/E based on Basic EPS for the year ended March 31, 2015:

Particulars	P/E (Standalone)		P/E (Consolidated)	
	P/E at the Floor Price	P/E at the Cap Price	P/E at the Floor Price	P/E at the Cap Price
P/E based on Basic EPS	[●]	[●]	[●]	[●]
P/E based on Weighted Average Basic EPS	[●]	[●]	[●]	[●]

- b. P/E based on Diluted EPS for the year ended March 31, 2015:

Particulars	P/E (Standalone)		P/E (Consolidated)	
	P/E at the Floor Price	P/E at the Cap Price	P/E at the Floor Price	P/E at the Cap Price
P/E based on Diluted EPS	[●]	[●]	[●]	[●]

P/E based on Weighted Average Diluted EPS	[●]	[●]	[●]	[●]

3. **Return on Net Worth (“RoNW”) post consolidation of shares (Refer note 3 below)**

- a. As per Restated Unconsolidated Summary Statements:

Period	RoNW (%)	Weight
Fiscal 2015	(316.49)%	3
Fiscal 2014	(721.00)%	2
Fiscal 2013	133.30 %	1
Weighted Average	(376.36)%	

- b. As per Restated Consolidated Summary Statements:

Period	RoNW (%)	Weight
Fiscal 2015	(314.67)%	3
Fiscal 2014	(417.93)%	2
Fiscal 2013	149.40 %	1
Weighted Average	(271.75)%	

Note 1: Return on Net Worth has been computed as Net profit after tax (as restated) divided by Net worth at the end of the year including preference share capital.

Note 2: Net worth for ratios mentioned in 3(a) and 3(b) above = Equity share capital + Reserves and surplus (including Securities Premium and surplus in statement of profit and loss) + Preference share capital. These ratios have been computed after considering the retrospective adjustment of the bonus shares and consolidation of share capital.

Note 3: Subsequent to March 31, 2015, the Board of Directors of the Company have, in their meeting held on August 5, 2015 approved the consolidation of the shares as follows - every 5 (Five) existing equity shares of nominal face value of ₹ 3/- (Rupee Three Only) each fully paid up into 3 (Three) Equity Shares of nominal face value of ₹ 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of ₹ 3/- (Rupee Three Only) each fully paid up into 3 (Three) Preference Shares of nominal face value of ₹ 5/- (Rupees Five Only) each fully paid-up. Accordingly, the accounting ratios post such consolidation of shares has been disclosed.

4. **Minimum Return on Net Worth required to maintain pre-Offer EPS for the year ended March 31, 2015**

- a. Standalone

Particulars	Minimum RoNW (%) at the Floor Price	Minimum RoNW (%) at the Cap Price
To maintain pre-Offer Basic EPS for the year ended March 31, 2015	[●]	[●]
To maintain pre-Offer Diluted EPS for the year ended March 31, 2015	[●]	[●]

- b. Consolidated

Particulars	Minimum RoNW	Minimum RoNW

	(%) at the Floor Price	(%) at the Cap Price
To maintain pre-Offer Basic EPS for the year ended March 31, 2015	[●]	[●]
To maintain pre-Offer Diluted EPS for the year ended March 31, 2015	[●]	[●]

5. Net Asset Value per Share

- a. NAV per Share: Post Consolidation of Shares (Refer note 2 below)

Particulars	As on Mar 31, 2015 (₹)	As on Mar 31, 2014 (₹)	As on Mar 31, 2013 (₹)
As per Restated Unconsolidated Summary Statements	(0.67)	(0.54)	3.38
As per Restated Consolidated Summary Statements	(0.44)	(1.04)	3.31

- b. Offer Price: ₹[●] per Share

- c. NAV after the Offer: ₹[●] per Share

Note 1: Net asset value per share (₹) = Net worth at the end of the year divided by total number of equity shares outstanding at the end of the year + Potential equity shares from convertible preference shares. Net worth mentioned above = Equity share capital + Reserves and surplus (including Securities Premium and surplus in statement of profit and loss) + Preference share capital.

Note 2: Net worth = Equity share capital + Reserves and surplus (including Securities Premium and surplus in statement of profit and loss) + Preference share capital. These ratios have been computed after considering the retrospective adjustment of the bonus shares and consolidation of share capital.

Note 3: Subsequent to March 31, 2015, the Board of Directors of the Company have, in their meeting held on August 5, 2015 approved the consolidation of the shares as follows - every 5 (Five) existing equity shares of nominal face value of ₹ 3/- (Rupee Three Only) each fully paid up into 3 (Three) Equity Shares of nominal face value of ₹ 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of ₹ 3/- (Rupee Three Only) each fully paid up into 3 (Three) Preference Shares of nominal face value of ₹ 5/- (Rupees Five Only) each fully paid-up. Accordingly, the accounting ratios post such consolidation of shares has been disclosed.

6. Comparison with Industry Peers

Our Company is a provider of online matrimonial services, including online matchmaking services, marriage services and related sale of other products and services. We believe none of the listed companies in India are focused on these segments. There are, however, internet based services in India, which are listed in the peer group companies as below:

Name of the Company	Face Value per Equity share (₹)	For the year ended March 31, 2015			
		Basic EPS (₹)	P/E	RoNW (%)	NAV (₹)
Just Dial	10	19.75	67.0x	23.0%	95.5
Info Edge	10	2.09	401.9x	2.3%	117.7

Source: Company filings and NSE. Price data as on March 31, 2015.

Note 1: Basic EPS = Basic Earnings per share; P/E = Price per share / Basic EPS; N/M = Not meaningful; RoNW = Return on Net Worth; NAV = Net Asset Value per share

Note 2: Basic EPS, P/E, RoNW and NAV as stated above are based on consolidated operations.

Note 3: Basic EPS is as reported by the Company.

Note 4: Profit after tax, post-exceptional items (PAT), as reported by the Company, has been used to calculate RoNW. For InfoEdge,

PAT includes share in profit / loss of associate and subsidiary companies.

Note 5: Net worth = Share Capital + Reserves and Surplus, as reported by the Company. It does not include Minority Interest.

Note 6: RoNW has been calculated as PAT divided by average of net worth at the beginning of the financial year and net worth at the end of the financial year

Note 7: NAV has been calculated as net worth at the end of the financial year divided by common equity shares outstanding at the end of the financial year. Common equity shares outstanding is as reported by the company.

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

The Offer Price of ₹ [●] per Equity Share is [●] times the face value of ₹5 per equity share. The Offer Price has been determined by the Company in consultation with Selling Shareholders and BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Prospective investors should also review the entire Red Herring Prospectus, including, in particular, the sections “*Risk Factors*” and “*Financial Information*” and the chapters “*Industry Overview*” and “*Our Business*” beginning on pages 15, 209, 138 and 149, respectively, to obtain a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section “*Risk Factors*” beginning on page 15 or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

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

August 11, 2015

To
The Board of Directors
Matrimony.com Limited
TVH Beliciaa Towers, 10th floor, Tower II
No 94, MRC Nagar
Mandaveli
Chennai – 600 028

Dear Sirs,

We hereby confirm that the enclosed annexure, prepared by Matrimony.com Limited ('the Company') states the possible tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act'). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The amendments in Finance Act 2015 have been incorporated to the extent relevant in the enclosed annexure.

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

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

Shankar Srinivasan
Partner
Membership No.: 213271
Hyderabad

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO MATRIMONY.COM LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to Matrimony.com Limited ('the Company'), which is proposed to be listed in a recognized stock exchange in India and its shareholders under the current direct tax laws in India based on the current provisions of the Act.

A. Benefits to the Company under the Act

1. General tax benefits

For the purpose of computation of income tax payable by the Company for each financial year, the following deductions are generally available to the Company:

(a) Business income

- (a) The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act.

(b) General deduction

According to section 37 of the Act, the Company is entitled to claim the deduction of any expenditure incurred during a particular financial year which is

- not in the nature of capital expenditure or personal expenses;
- not in the nature of expenditure described in sections 30 to section 36 of the Act; and
- Incurred wholly and exclusively for business purposes.

- (c) However, the following expenditure are not allowed as deduction under section 37 as they are not considered as expenditure incurred for business purposes:

- (d) Any expenditure incurred for any purpose which is an offence or which is prohibited by law; or

- (e) Any expenditure incurred on the activities relating to corporate social responsibility referred to in section 135 of the Companies Act, 2013.

- (f) As per the provisions of Section 35DD of the Act, any expenditure incurred by an Indian Company, wholly and exclusively for the purpose of amalgamation/ demerger of an undertaking shall be allowed as deduction to the extent of one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the amalgamation/ demerger takes place.

- (g) The Company can set off its business losses for an assessment year against any other source of income. The company is also entitled to carry forward and set off the balance business losses, not set off during an assessment year against the business profits of 8 subsequent assessment years.

- (h) The company is entitled to carry forward and set off the unabsorbed depreciation, if any, for an assessment year, in the subsequent years as per the provisions of Section 32 of the Act.

(b) Income from other sources

- (a) As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax.
- (b) As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).
- (c) As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- (d) Income from other streams such as income in the nature of interest will be taxable at the rate of 30 % plus applicable surcharge and cess.
- (e) The Company will be entitled to claim a deduction of any expenditure incurred (not in the nature of capital expenditure) wholly and exclusively for the purpose of earning income taxable under the section 56 of the Act subject to the provisions of section 57 and section 58 of the Act.

(c) Capital gains

(i) *Computation of capital gains in the hands of the Company*

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. The Act prescribes a threshold for the period of holding of long term and short term capital assets which is based on the various factors such as nature of assets, etc. Any gains arising from the transfer of short term capital assets will be Short Term Capital Gains (‘STCG’) and gains arising from the transfer of a long term capital asset will be a Long Term Capital Gain (‘LTCG’).
- The classification of short term capital assets and long term capital assets and the applicable rates of tax on capital gains is tabulated below:

Sl No	Capital asset	Threshold holding period for LTCG	Rate (Excluding surcharge and cess)	Remarks
1	Unlisted shares	More than 36 months	LTCG - 20% (with indexation benefits) STCG – 30%	In a case where the transfer of such unlisted shares was subject to STT, the LTCG arising will be exempt from tax as per the provisions of section 10(38) of the Act. However, the same will be subject to Minimum Alternate Tax (‘MAT’) (refer Para 2) as a part of the overall book profits of the Company, if the Company is taxed according to the provisions of section 115JB.

Sl No	Capital asset	Threshold holding period for LTCG	Rate (Excluding surcharge and cess)	Remarks
2	Listed shares	More than 12 months	<u>Where STT is paid</u> LTCG – exempt as per section 10(38) STCG – concessional rate of 15% as per section 111A. <u>Where STT is not paid</u> LTCG - 20 % (with indexation benefits) Or 10 % (without indexation benefits) Whichever is less STCG – 30%	Long term capital gains exempted under the provisions of section 10(38) of the Act will be subject to MAT (refer Para 2) as a part of the overall book profits of the Company, if the Company is taxed according to the provisions of section 115JB.
3	Units of Unit Trust of India	More than 12 months	LTCG - 20% (with indexation benefits) STCG – 30%	
4	Units of a mutual funds specified under section 10(23D) of the Act	More than 36 months	<u>Where STT is paid</u> LTCG – exempt under section 10(38) of the Act. STCG – concessional rate of 15% as per section 111A. <u>Where STT is not paid</u> LTCG - 20% (with indexation benefits) STCG – 30%	Long term capital gains exempted under the provisions of section 10(38) of the Act will be subject to MAT (refer Para 2) as a part of the overall book profits of the Company, if the Company is taxed according to the provisions of section 115JB.
5	Any other	More than 36 months	LTCG - 20% (with indexation	

Sl No	Capital asset	Threshold holding period for LTCG	Rate (Excluding surcharge and cess)	Remarks
	capital asset		benefits) STCG – 30%	

- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- Capital assets held for a period not more than above mentioned threshold will be short term capital assets.
- As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:
 - where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.
 - where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.
- The tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds INR 1,00,00,000 but not INR 10,00,00,000. The surcharge shall be payable at the rate of 12% where the taxable income of a domestic company exceeds INR 10,00,00,000. Further, education cess and secondary and higher education cess on the total tax payable (inclusive of surcharge) at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
- As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) *Exemption of capital gains from income – tax*

- Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –:
 - ▶ National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
 - ▶ Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
 - ▶ Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed in total, INR 50,00,000 per assessee during the financial year in which the asset is transferred and in the subsequent financial year.
 - ▶ Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.
 - ▶ The characterization of the gain / losses, arising from sale / transfer of shares / units as business income or capital gains would depend on the nature of holding and various other factors.

2. MAT credit

- (i) In case the tax computed according to the normal provisions of the Act, in any assessment year, is less than the 18.5% of the book profits computed in accordance with the provisions of section 115JB, the Company will be liable to pay taxes in accordance with the provisions of section 115JB.
- (ii) However, as per provisions of Section 115JAA of the Act, the excess of such tax on book profits over the normal tax (computed in accordance with the other provisions of the Act) is available as MAT credit. The amount of MAT credit will be carried forward and set off against the normal tax payable in subsequent 10 financial years following the financial year in which the MAT credit arises.

3. Securities Transaction Tax ('STT')

- (i) As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.
- (ii) STT will be paid at the rate of 0.1% on the purchase/ sale of equity shares of a company and at the rate of 0.001% in case of sale of units of an equity oriented mutual fund through a recognised stock exchange and where such transaction is settled by the actual delivery or transfer of such shares/ units.

4. Dividend distributed by the Company

- (i) As per the provisions of Section 115-O of the Act, domestic companies distributing profits as dividends to its shareholders would have to pay tax on such distributable profits at the rate of 15 percent (plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon).
- (ii) For the purpose of determining the tax on distributed profits payable in accordance with the section 115-O, any amount which is declared, distributed or paid by any domestic company out of current or accumulated profit on or after 1 April 2003, shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate of 15%, be equal to the net distributed profits.
- (iii) Therefore, the amount of distributable income and the dividends which are actually received by the shareholders of the domestic company need to be grossed up for the purpose of computing the additional tax.
- (iv) Further, the amount of dividend declared, distributed or paid by the domestic shall be reduced by the following amount:
 - (a) The amount of dividend received from its subsidiary where the subsidiary is also a domestic company and has paid DDT on such dividend;
 - (b) The amount of dividend received from its subsidiary which is a foreign company and tax is payable by the domestic company under section 115BBD of the Act on such dividends received.

5. Other Provisions

- (i) As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfilment of certain conditions.
- (ii) As per provisions of Section 80GGB of the Act, the Company is entitled to claim deduction amounting to 100% of any sum contributed, other than by way of cash, to any political party or an electoral trust.
- (iii) As per the provisions of section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

B. Benefits to the Resident members / resident shareholders of the Company under the Act

1. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from a Domestic Company is exempt from tax as the company would have paid dividend distribution tax on such dividends distributed.

2. Capital gains

(i) *Computation of capital gains*

- (a) Income from sale of listed equity shares held as an investment is subject to be taxed under the head capital gains and the tax implications with respect to transfer of such shares have been discussed below. However, in a case where such listed shares are held as stock in trade, the

gains may be taxable as business income/ speculative income and the below discussions would not be relevant.

- (b) Listed equity shares being capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. The Act prescribes a threshold of 12 months in case of listed equity shares for the purposes of such categorization.. Any gains arising from the transfer of listed equity shares being short term capital assets will be Short Term Capital Gains (‘STCG’) and gains arising from the transfer of listed shares being long term capital asset will be a Long Term Capital Gains (‘LTCG’).
- (c) The classification of listed equity shares as short term capital assets and long term capital assets and the applicable rates for computing the taxes on capital gains on transfer of such shares have been tabulated below:

Sl No	Capital asset	Threshold holding period for LTCG	Rate (Excluding surcharge and cess)	Remarks
1	Listed shares	More than 12 months	<u>Where STT is paid</u> LTCG – exempt as per section 10(38) STCG – concessional rate of 15% as per section 111A. <u>Where STT is not paid</u> LTCG - 20 % (with indexation benefits) Or 10 % (without indexation benefits) <i>Whichever is less</i> STCG – Normal rates applicable to the shareholder	In a case where the transfer of such listed shares was subject to STT, the LTCG arising will be exempt from tax as per the provisions of section 10(38) of the Act. However, the same will be subject to MAT as a part of the overall book profits of the shareholder, if the shareholder is taxed according to the provisions of section 115JB.

- (d) Capital assets being listed equity shares held for not more than above mentioned threshold will be short term capital assets.
- (e) In case the total income of resident individuals and Hindu Undivided Family (‘HUF’) reduced by taxable LTCG under section 112 of the Act or STCG under section 111A of the Act, as the case maybe, is less than the basic exemption limit, then the LTCG under section 112 of the Act or STCG under section 111A of the Act will be utilized for the basic exemption to the extent available.
- (f) The tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds INR 1,00,00,000 but not INR

10,00,00,000. The surcharge shall be payable at the rate of 12% where the taxable income of a domestic company exceeds INR 10,00,00,000.

- (g) Surcharge shall be payable at the rate of 12 % in case of an individual, HUF where the total taxable income of a taxpayer exceeds INR 1,00,00,000
- (h) Further, education cess and secondary and higher education cess on the total tax payable (inclusive of surcharge) at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- (i) As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
- (j) As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) *Exemption of capital gains arising from sale of a capital asset*

- (a) As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC.
- (b) Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed in total INR 50,00,000 per assessee during the financial year in which the assets are transferred and in the subsequent financial year.
- (c) Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted would be taxable as capital gains in the year of transfer / conversion of the specified bonds.
- (d) Further, there are additional benefits available to resident shareholders or Hindu Undivided Family ('HUF'). The provisions of Section 54F of the Act provides that LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and such exemption is subject to other conditions to the extent specified therein.
- (e) As per provisions of Section 56(2)(vii) of the Act, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under certain instances specified under the Act.

3. Other Provisions

- (i) The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

- (ii) As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. Benefits to the Non-resident shareholders of the Company under the Act

1. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34), dividend (both interim and final), if any, received by non-resident shareholders from an Indian Company on which DDT is paid would be exempt from tax.

2. Capital gains

Income from sale of listed equity shares held as investment is subject to tax under the head capital gains and the tax implications with respect to transfer of such shares have been discussed below. However, in a case where such listed shares are held as stock in trade, the gains may be taxable as business income/ speculative income and the below discussions would not be relevant.

(i) *Computation of capital gains for non-residents other than non-resident Indians and Foreign Institutional investors*

- (a) As mentioned earlier, capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. The Act prescribes a threshold for the period of holding of long term and short term capital assets which is based on the various factors such as nature of assets, etc. Any gains arising from the transfer of short term capital assets will be Short Term Capital Gains ('STCG') and gains arising from the transfer of a long term capital asset will be a Long Term Capital Gain ('LTCG').
- (b) The listed equity shares held for more than 12 months then such listed equity shares will be considered as long term capital asset. Listed equity shares held for a period up to 12 months will be short term capital assets.
- (c) In case where the transfer of long term listed equity shares is subject to STT the according to the provisions of section 10(38) of the Act, such LTCG will be exempt from taxation.
- (d) As per provisions of Section 111A of the Act, STCG arising on sale of listed equity shares are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA of the Act is allowed on such income.
- (e) STCG arising on sale of equity shares where such transaction is not chargeable to STT is taxable at the rate of 40% in case of a company and at normal slab rates in case of other assesses.
- (f) The tax rates mentioned above stands increased by surcharge, payable as follows:
 - At the rate of 2 %, in case of a foreign company whose total taxable income exceeds INR 1,00,00,000 but does not exceed INR 10,00,00,000.
 - At the rate of 5 %, in case of a foreign company whose total income exceeds INR 10,00,00,000.
 - In case of other non-residents, whose total taxable income exceeds INR 1,00,00,000 surcharge shall be payable at the rate of 12% of the income tax payable.

- Further, secondary and higher education cess on the total tax (inclusive surcharge) at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- (g) As per provisions of Section 70 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
- (h) As per provisions of Section 70 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.
- (i) Further as per Finance Act, 2015, capital gains arising to a foreign company from any transaction in securities would be subject to MAT as a part of the overall book profits if such capital gains are taxed at a rate more than 18.5%.

3. Exemption of capital gains arising from income – tax

- (i) As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:
- (ii) Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed in total, INR 50,00,000 per assessee during any financial year and the subsequent financial year.
- (iii) Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- (iv) The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- (v) As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- (vi) As per provisions of Section 56(2)(vii) of the Act, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under certain instances specified under the IT Act.

4. Tax Treaty benefits

- (i) As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that for the purpose of claiming tax benefits under a treaty a non-resident is required to hold a valid tax residency certificate.

- (ii) Additionally the non-resident tax payer is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

5. Withholding tax

Capital gains earned by the non-residents would be subject to withholding tax under section 195 of the Act at the specified rates.

(i) *Taxation of capital gains in the hands of Non-resident Indians*

- (a) Non-Resident India ('NRI') means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India. The income-tax laws contain certain specific provisions for taxation of income earned by NRI.
- (b) Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- (c) According to the provisions of section 10(38) of the IT Act, any long term capital gains arising from the transfer of a listed equity shares which was subject to STT will be exempt from taxation.
- (d) As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets as duly mentioned in Section 115C(f) of the Act is taxable at the rate of 10% . Such capital gains will be computed after giving effect to the foreign exchange fluctuations as per first proviso to section 48 of the Act. Further, the second proviso to section 48 of the Act relating to indexation benefits shall not apply to such capital gains arising from transfer of specified foreign exchange assets. Also, no deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- (e) As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section. If only part of the net consideration is so reinvested, the exemption will be proportionately reduced. However the amount so exempted will be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.
- (f) As per section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- (g) As per section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A relating to taxation of non-

residents shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- (h) As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year.
- (i) In such a situation, transfer of long term listed equity shares which is subject to STT would be covered under the provisions of section 10(38) of the Act and hence such LTCG will be exempt from taxation.
- (j) As per provisions of Section 111A of the Act, STCG arising on sale of listed equity shares are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA of the Act is allowed from such income.
- (k) STCG arising on sale of equity shares where such transaction is not chargeable to STT is taxable at the normal slab rates.
- (l) Further as per the Finance Act 2015 a surcharge of 12% is applicable in case income of the NRI exceeds INR 1,00,00,000. Further, education cess and secondary and higher education cess on the total tax (inclusive surcharge) at the rate of 2% and 1% respectively is payable.

6. Tax treaty benefits

- (i) As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate.
- (ii) Additionally the non-resident tax payer is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

7. Withholding tax

Capital gains earned by the NRIs would be subject to withholding tax under section 195 of the Act at the specified rates.

- (i) *Taxation of capital gains in the hands of Foreign Institutional Investors ('FIIs') under the Act*
 - (a) LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
 - (b) As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% [plus surcharge (at the rate of 2 % where the total income exceed INR

1,00,00,000 but does not exceed INR 10,00,00,000 and 5 % where the total income exceed INR 10,00,00,000) and education cess and secondary & higher education cess at the rate of 2% and 1% respectively]. No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act

- (c) As per provisions of Section 115AD of the Act, capital gains arising from transfer of such securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

- (d) Such capital gains will be computed without giving effect to the provisions of indexation or foreign exchange fluctuations.
- (e) The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.
- (f) Finance Act 2014 amended the section 2(14) of the Act, whereby the securities held by FII will be considered as a capital asset. Accordingly, any gain / losses, arising from sale / transfer of shares by FIIs will be considered as capital gains.

8. Tax Treaty benefits

As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the FII is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

9. Withholding tax

Capital gains earned by the FIIs would be subject to withholding tax under section 195 of the Act at the specified rates.

D. Benefits available to Mutual Funds under the Act

As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

Note:

- All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders

- ▶ In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- ▶ In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.
- ▶ The above statement captures the possible tax benefits available to the shareholders of the company from the capital asset being listed equity shares in a summary manner only.

The above statement of possible direct tax benefits set out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from reports of various governmental agencies, industry reports and other publicly available sources. This includes the information available on the websites of, in the reports or adapted from the reports of and/or from the databases of, United States Central Intelligence Agency “World Factbook” (the “CIA Factbook”); the Internet World Stats statistics available at <http://www.internetworldstats.com>; traffic share distribution from July 2013 to May 2015 for Matrimony.com, Jeevansathi and Shaadi compiled by comScore Technologies India Private Limited (the “comScore Report”); and the industry reports dated November 21, 2014 entitled “Market Size Estimation of Online Matrimony Market” (the “Online Matchmaking Report”) and “Market Assessment of Marriage Services Market” (the “Marriage Services Report” and together with the Online Matchmaking Report, the “KPMG Reports”) prepared by KPMG, an independent management consultant, pursuant to an engagement with the Company. The KPMG Reports contain disclaimers and scope limitations pertaining to the work performed by it, a summary of which is set out below. The KPMG Reports should be referred to for the full text of the disclaimers and scope limitations.

The information contained in the KPMG Reports is of a general nature and is not intended to address the circumstances of any particular individual or entity. No one should act on the information contained in the KPMG Reports or any part thereof, without appropriate professional advice and due consideration. The KPMG Reports are dated as of November 21, 2014, reflect the position only as of that date and were prepared pursuant to an engagement letter between the Company and KPMG dated October 22, 2014 for purposes other than inclusion in this Draft Red Herring Prospectus, and KPMG does not undertake to update the information already contained in the KPMG Reports. KPMG has subsequently consented to inclusion of extracts of the KPMG Reports prepared by it in this Draft Red Herring Prospectus through its letter dated August 11, 2015 on the terms set out in the Addendum dated August 11, 2015 to the engagement letter. The KPMG Reports do not attest the capabilities of our Company nor do they make a recommendation to anyone for investment in the Company. KPMG has not performed an audit and does not express an opinion, or any other form of assurance. Further, comments in the KPMG Reports are not intended, nor should they be interpreted to be legal advice or opinion. While information obtained from the public domain or external sources (“Information”) has not been verified for authenticity, accuracy or completeness, KPMG has obtained Information, as far as possible, from sources generally considered to be reliable, inter alia, from the Census, the Telecom Regulatory Authority of India (“TRAI”) and the Internet and Mobile Association of India (“IAMAI”). KPMG does not guarantee the accuracy, adequacy or completeness of Information and is not responsible for any errors or omissions in the Information or for the results obtained from the use of such Information. While performing the work, KPMG has assumed the genuineness of all signatures and the authenticity of all original documents in respect of the information received by it. It has not independently verified the correctness or authenticity of the same. The KPMG Reports may make reference to “KPMG Analysis”; this indicates only that it has (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented. In accordance with its policy, KPMG disclaims all responsibility and liability for any costs, damages, losses, liabilities incurred by any third party including subscribers/users/transmitters/distributors in the Offer who uses or relies upon the KPMG Reports or extracts therefrom.

Indian Demographics for Matchmaking and Marriages

India is one of the world’s most populous countries with an estimated population of approximately 1.25 billion, which equates to 17.45% of the world population, according to the CIA Factbook.

Based on the Online Matchmaking Report, as of 2014, it is estimated that there were approximately 356 million individuals in India within the marriageable age bracket, being 18 to 35 years for females and 21 to 35 years for males, of whom 93 million were unmarried. Based on the Online Matchmaking Report, 63.00% of the unmarried population in India falls within the ages of 18 to 24 years, being the age group in which the majority of the Indian population gets married. In addition, approximately 40.00% and 60.00% of the 93 million unmarried individuals are located in urban and rural areas, respectively.

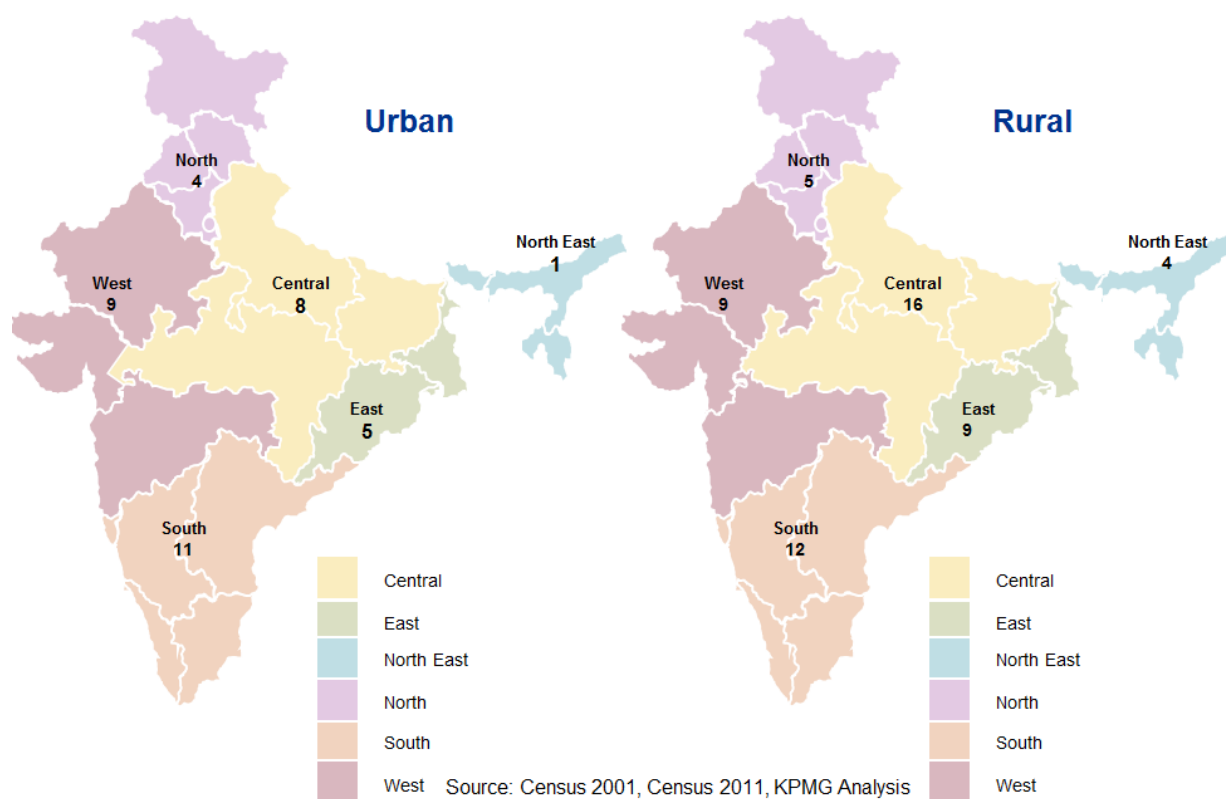
Based on the Marriage Services Report, it is also estimated that approximately 65.00% of the Indian population is under 35 years. The young base will get married in the next two decades and result in an average of 10 to 12 million weddings per year until fiscal 2025.

All figures for 2014E (In millions)	India	Urban	Rural
Total Population ¹	1,259	390	869
Target Population (18 to 35 Female & 21 to 35 Male)	356	119	237
A. 21 to 35 years – Male	166	56	110
B. 18 to 35years – Female	190	63	127
C. Unmarried ² population from A + B	93	39	54
D. Unmarried – Male (21 to 35 years)	54	22	32
E. Unmarried – Female (18 to 35 years)	39	16	23

Source: Census 2001, Census 2011, KPMG Analysis

- ¹Total population for year 2014 has been extrapolated for census 2011 age data, table C2
- ²The estimates for never married, divorced, separated and widowed people has been extrapolated from 2001 census
- ²Unmarried population includes people who are never married, divorced, separated and widowed
- Religion spread in India – 81% Hindu, 14% Islam, 2.3% Christian, 2.7% - others
- Urban - Minimum population of 5,000; Minimum density of 400 per sq. km; Minimum 75% of male workers in non-agriculture pursuits; all non urban are classified as rural

There is an even spread of unmarried individuals between urban and rural areas in North, West and South India while the spread of unmarried individuals in East, North-east and Central India is skewed towards the rural areas.



Overview of Matchmaking Industry in India

Matchmaking has traditionally been a very fragmented and unorganized industry in India, with friends and family being the predominant channel of matchmaking. Other offline channels of matchmaking include traditional matchmakers/brokers, community marriage bureaus, pundits/maulvis/priests and classifieds (prints).

The online matchmaking industry is still at a nascent stage and accounts for approximately 4.00% of marriages in India. The online matchmaking industry in India is also a very fragmented market with over 2,600 wedding portals, only a handful of players of which have some scale and 700 of which are an extension of the community bodies which traditionally played a major role in alliance and matchmaking (source: http://www.business-standard.com/article/companies/booming-biz-of-online-marriages-111122200022_1.html).

According to the comScore Report, Matrimony.com is the leader for online matchmaking services in India in terms of the average number of website pages viewed by unique visitors.

<u>Month</u>	<u>Website</u>	<u>Unique visitors ('000s)</u>	<u>Time spent (minutes) (millions)</u>	<u>Total pages viewed (millions)</u>	<u>Average pages per visitor</u>	<u>Average minutes per visitor</u>	<u>Unique visitors × Average pages per visitor ('000s)</u>
May-15	Matrimony.com*	1615	111	276	171	69	275,706
May-15	Shaadi	1277	56	156	122	44	156,000
May-15	Jeevansathi	546	24	49	90	44	49,000
							481,706
Mar-15	Matrimony.com*	1795	95	283	158	53	283,106

Mar-15	Shaadi	1341	58	154	115	43	154,000
Mar-15	Jeevansathi	616	26	54	88	42	54,000
							491,106
Sep-14	Matrimony.com*	1518	80	232	153	53	232,460
Sep-14	Shaadi	1177	40	118	100	34	118,298
Sep-14	Jeevansathi	527	21	48	90	10	47,528
							398,286
Mar-14	Matrimony.com*	2030	104	301	148	51	300,800
Mar-14	Shaadi	1781	53	130	73	30	129,724
Mar-14	Jeevansathi	773	31	82	106	10	81,927
							512,451
Sep-13	Matrimony.com*	2077	106	270	130	51	269,630
Sep-13	Shaadi	2751	62	129	47	23	128,586
Sep-13	Jeevansathi	956	36	80	84	10	80,010
							478,226

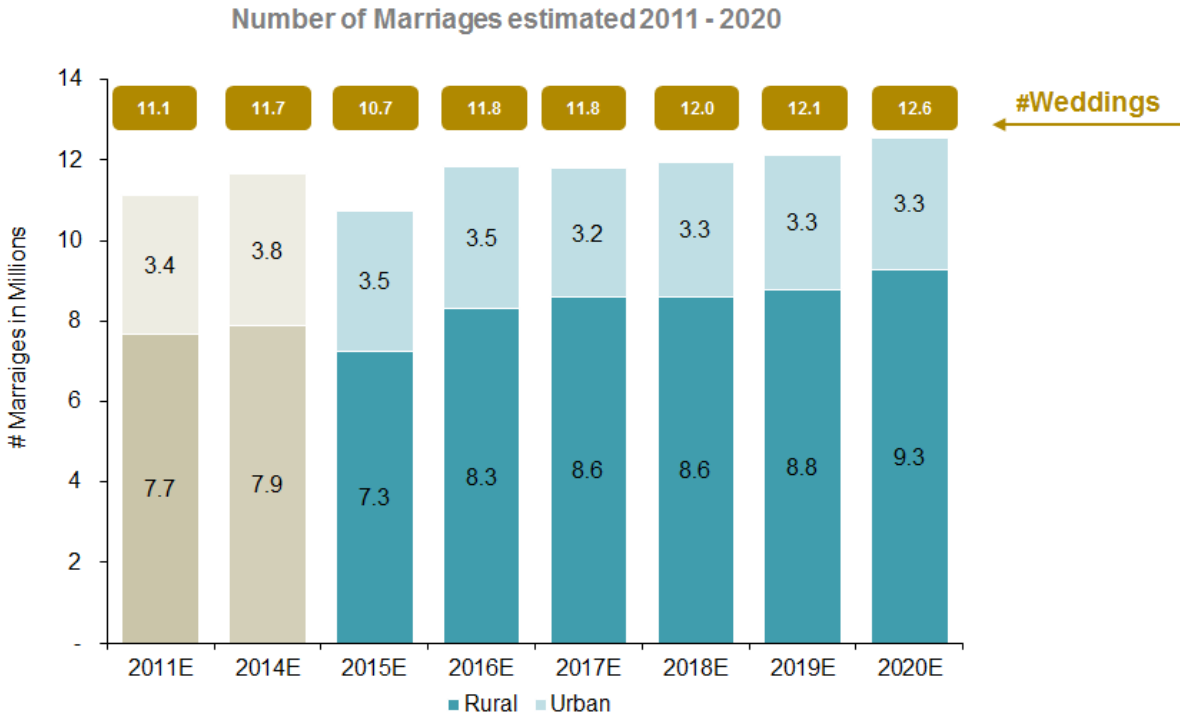
Source: comScore Matrimony Data (2012-2015)

* Matrimony.com data does not include data from all sites under Matrimony.com

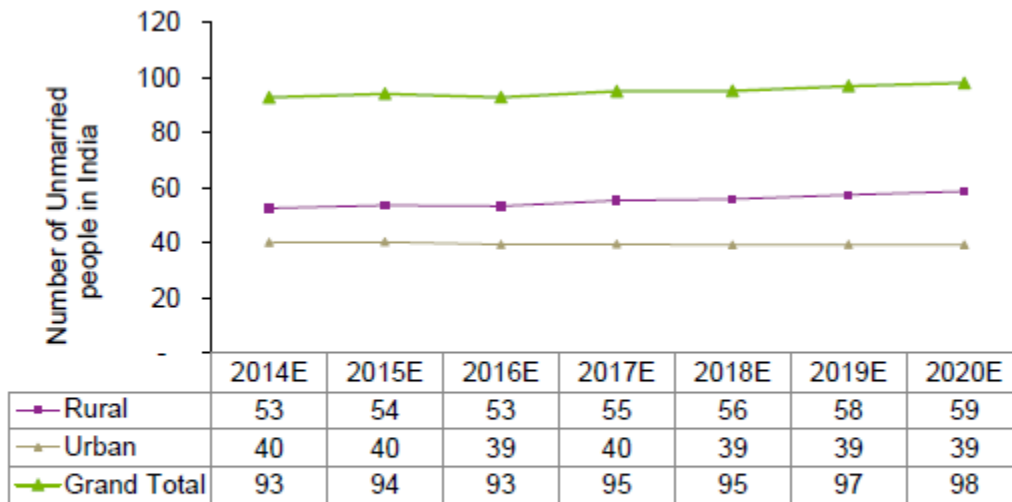
Key Drivers of Growth for Online Matchmaking in India

Favorable demographic trends

Based on the Online Matchmaking Report, approximately 11.70 million marriages took place in India in 2014, which translates to approximately 23.40 million individuals who got married in India in 2014. Further, it is estimated that in 2014, of the 93 million individuals in India who were unmarried, there were approximately 58.50 million individuals in India who were actively seeking prospective life partners. Based on the Online Matchmaking Report, the population within the marriageable age bracket in India will grow at an average rate of 0.92% until fiscal 2020 and it is estimated that approximately 71 million marriages will take place in India from fiscal 2015 to fiscal 2020 (both years included).



Source: Census 2001, Census 2011, KPMG Analysis



Source: Census 2001, Census 2011, KPMG Analysis

Note: The population numbers pertain to female in the age group 18 – 35 and for males in the age group of 21 – 35

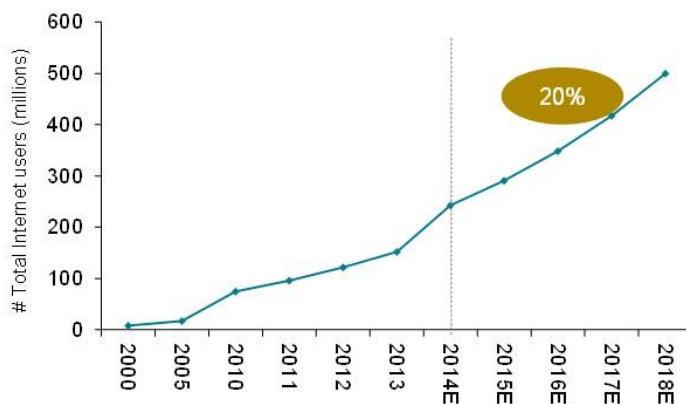
The projections factor in a constant rate of rural to urban migration at 3.4% of the rural population. As per 2001 census estimates, the net rural to urban migration was approximately 14 million (i.e. 1.7% of the total rural population). This rate has been doubled for the population in the said age group.

Increasing internet and mobile internet penetration

According to industry estimates and the IAMAI, the Internet and mobile penetration in India have seen a massive growth in the last decade and will continue to grow exponentially in the next five years.

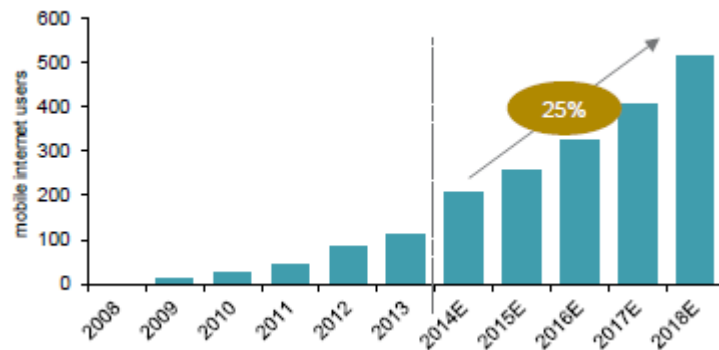
It is estimated that as of July 1, 2014, there were approximately 243 million Internet users (being individuals, of any age, who can access the Internet at home, via any device type (PC or mobile) and connection) in India, with an Internet penetration of 19.19% (source: <http://www.internetlivestats.com/>). The number of Internet users in India is expected to reach over 500 million users by fiscal 2018, which would increase the penetration level to slightly under 40.00% of the Indian population. By comparison, as of July 1, 2014 the penetration level was approximately 86.75% in the United States and 46.03% in China (source: <http://www.internetlivestats.com/>). In addition, it is estimated that mobile Internet penetration in India will grow at an average CAGR of 25.00% to reach 519 million users by fiscal 2018 (source: <http://timesofindia.indiatimes.com/tech/tech-news/India-to-have-519-million-mobile-internet-users-by-FY18-Morgan-Stanley/articleshow/36656019.cms>)

Total Internet users (millions)

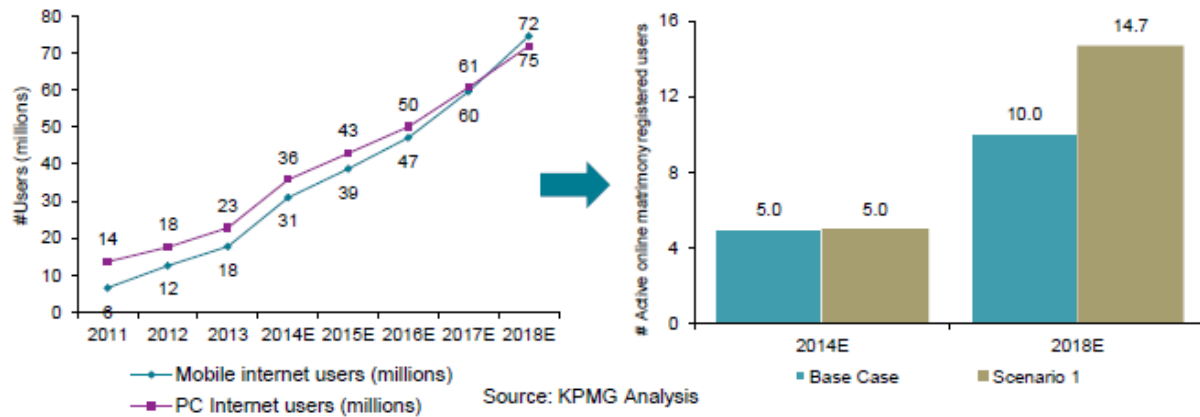


Source: Industry Estimates, KPMG Analysis, IAMAI

Mobile internet users (millions)



In addition, it is assumed that the Internet and mobile Internet penetration for the age group of 18 to 35 years is twice the Internet penetration for India. Mobile Internet penetration in the unmarried population in this age group is expected to increase from 38.00% to 76.00% by 2018. This increase in Internet penetration is expected to translate into an increased user base for online matchmaking services. Further, it is estimated that these two factors will lead to an increase in the active user base from the current level of 5 million to 10 million in 2018. The active user base for online matchmaking could also increase to 14.70 million if there is a shift from offline to online channels for matchmaking by 2018.



Base case – Assumes the current online matrimony penetration (currently at 22%) within the active seekers who have internet access
Scenario 1 – Assumes increased online matrimony penetration increases by 10% each year, i.e. online matrimony penetration within active seekers (with internet) to 32% in FY18

Cultural receptivity to arranged marriages

Arranged marriages have been traditionally accepted by the Indian society as a means by which brides, grooms, their immediate family, relatives and friends, community elders, matchmaking agencies and matrimonial sites, searched for a potential marriage partner for an individual in light of such individual's backgrounds, including religion, caste and regional origin. Parents tend to be the primary decision makers although with increasing education levels, the bride and groom are also having their say. Notwithstanding changes which have taken place in the Indian society, arranged marriage has continued to maintain its vitality as the societal institution. According to the United Nations Children's Fund, as of 2012, approximately 89.00% of marriages in India are arranged (source: "Arranged/Forced Marriage Statistics – Statistic Brain" 2014 Statistic Brain Research Institute, publishing as Statistic Brain. April 17, 2015 <http://www.statisticbrain.com/arranged-marriage-statistics/>) and the remaining 10.0% of marriages in India are closer to love marriages, being marriages based upon mutual love, affection, commitment and attraction.

Increasing mobility of individuals in Indian society

Increasing number of Indians are leaving their native places and moving out of India or their own societies in search of a job or a better lifestyle. However, when it comes to marriage, it has been ordinarily seen that they prefer to get married with people from their communities with similar background in terms of caste, religion, linguistic and regional features. In fact, one of the primary drivers of online matchmaking sites initially was the non-resident Indian segment, where potential non-resident Indian bridegrooms started using these online services extensively in search of Indian brides. The share of resident Indian segment in the total traffic on online matchmaking sites is expected to rise as similar trend of increasing mobility is witnessed within India. Creation of new industry clusters in various parts of India have led to a movement of young Indians to places where they could find an ideal job and this segment is expected to drive the growth in the resident Indian segment.

Increased freedom of choice over life decisions

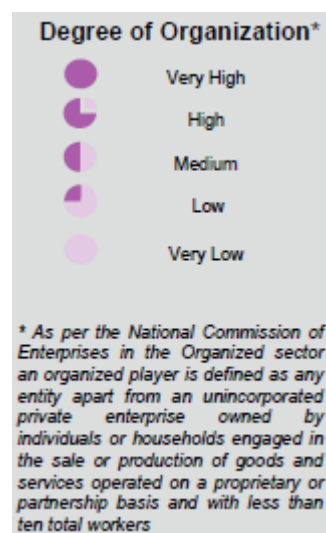
A multitude of factors like increased exposure to other cultures, higher educational levels and joint families giving way to nuclear families in the Indian society has led to new generation of Indians who are more actively taking control over taking their lives. The younger generation today is increasingly participating in making important decisions in their lives like jobs and marriage as compared to the previous generations. One of the resources singles in India have resorted to for finding their life partners is online matchmaking sites which provide them access to a huge database and help them approach potential bride/bridegroom after applying a desired selection criteria to search on such database.

Overview of Marriage Services Industry in India

The majority of the categories of marriage services in India are unorganized and highly fragmented, presenting a potential opportunity for an organized aggregator to provide these services.

Degree of Organization for Service Providers

Category	Definition	Operating Model	Industry Structure
Venue	Physical area where various wedding ceremonies take place; could be indoor/outdoor	- Split into indoor (hotels, banquet halls) and outdoor (farmhouses/part plots) booked directly/ via contractors - No. of guests is a key driver	
Decorations	Includes floral, lighting and stage decorations	- Largely unorganized market with high vendor fragmentation - Generally venue plus decoration package offered	
Catering	Involves all elements of food from starters to main course to dessert either in buffet or sit-down system	- For hotel banquets, catering is of hotel itself otherwise independent caterers hired - Rates decided by menu chosen and head count	
Photography	Photography includes all variants of photos and videos	Largely unorganized market	
Gifts	Includes both gifts given by host to the guests	- Both traditional and modern day gifts are provided - Largely unorganized local market caters to demand	
Entertainment	DJ, bands, orchestra, any celebrity performers or family performances	Direct approach by client is minimal; sourcing done via wedding planners/contractors	
Travel	Includes accommodation and intercity and local travel of outstation guests	- Planners/Contractors have tie-ups with local agencies - Intercity travel and local travel facilities offered at discount	
Honeymoon	Domestic/International travel and stay of married couple	Standard honeymoon packages offered by agencies with tie-ups with planners at discounted rates	
Beautician	Make-up artists for bridal and other make-up	Based on personal relationships or references from wedding planners	
Wedding Planners/Marriage Contractors	Aggregator of marriage services who liaises with marriage service providers to arrange a wedding	Based on personal relationships or references	



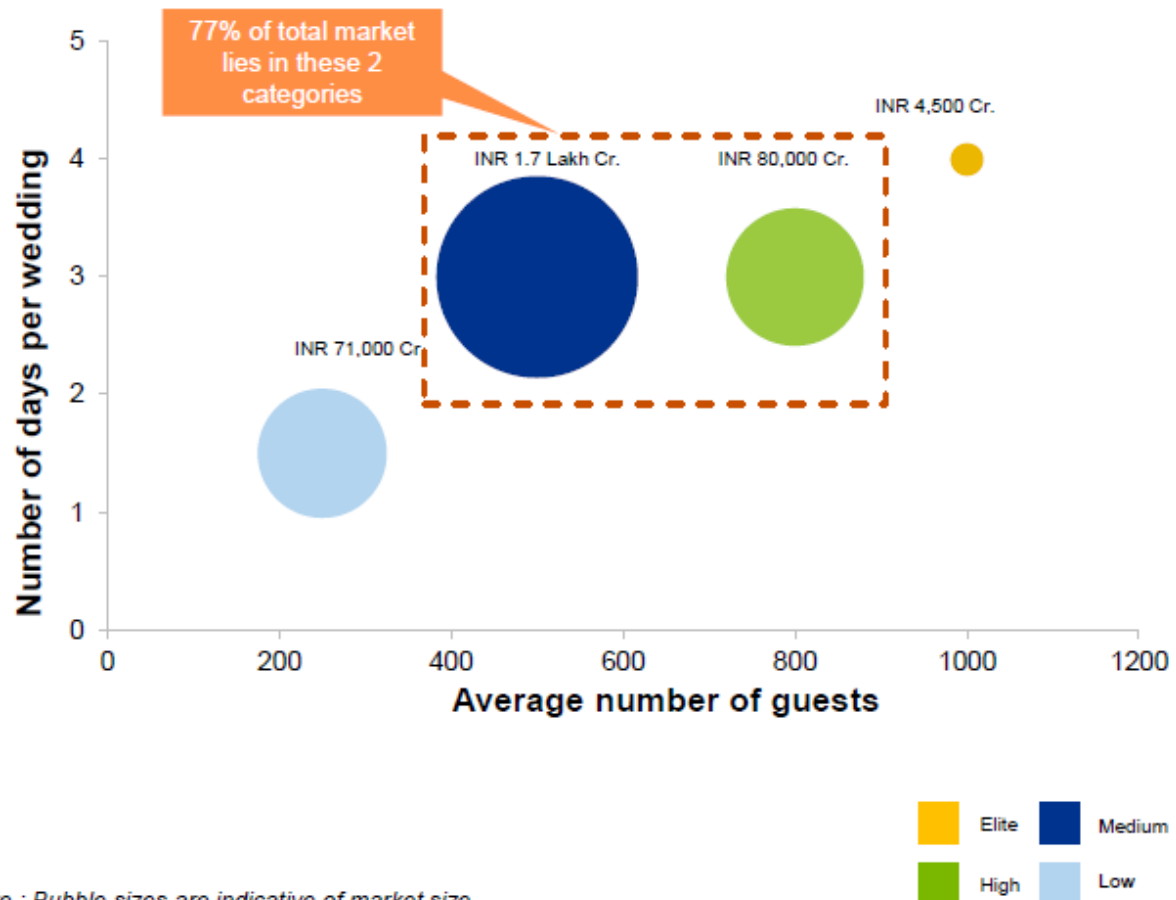
Source: Marriage Services Report.

There is a huge disparity in income levels and prosperity across different regions in India. The disparity in income requires Indian service providers to be flexible with respect to the various pricing options for marriage services.

Besides the regional differences, Indian wedding spend is driven by three key parameters, which are number of guests, number of days and income level. Indian wedding spend can be classified into four major categories – Elite, High, Medium and Low.

Guests	No. of days	Income Category*	Spend
Elite			
1000-1500	4-7 days	High Network Individuals	More than INR 1 Cr
High			
600 - 1000	3-4 days	SEC A1,A2	INR 15- 25 Lakhs
Medium			
400-600	2-3 days	SEC B1,B2, C1	INR 6-10 Lakhs
Low			
100-300	1-2 days	SEC B2 ,C1, C2, D1, D2,	INR 1-2 Lakhs
Note : For Rural Income Category, new SEC classification has been used whereas for Urban the old SEC classification has been retained			

Source: Marriage Services Report.

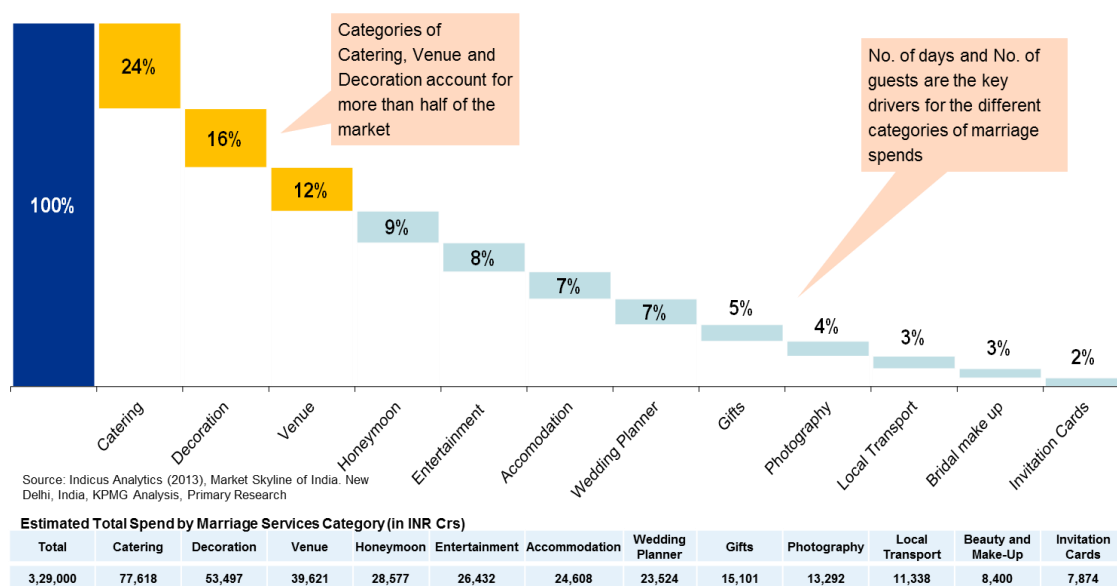


Note : Bubble sizes are indicative of market size

Source: Indicus Analytics (2013), Market Skyline of India. New Delhi, India, KPMG Analysis, Primary Research

According to the Marriage Services Report, the marriage services industry in India is estimated to be worth ₹ 3,290 billion in fiscal 2014, with catering, decoration, venue, gifts and photography accounting for approximately 61.00% of marriage services spends in fiscal 2014.

Estimated Percentage of Spends on Marriage Services (FY 2014)



Source: Indicus Analysis (2013), Market Skyline of India, New Delhi, India, KPMG Analysis, Primary Research.

Key Drivers of Growth for Marriage Services in India

Rising disposable incomes

Marriages are the biggest event in families in India and are a crucial part of Indian tradition and culture. Indians spend a large part of their income and savings on the wedding of their children. As the disposable income rises, it is expected that wedding spend will also increase in time to come. It is estimated that GDP per capita is ₹ 70,000 in 2014 and this is expected to increase to ₹ 77,000 by 2020. In addition, Indian salaried professionals get a raise of between 10.00% and 15.00% every year and bonuses of between 5.00% and 10.00%.

Demographic dividend

India's demography benefits from a large young population. It is estimated that approximately 65.00% of the unmarried Indian population is less than 35 years. It is expected that this young base will get married over the next two decades, resulting in an average of 10 to 12 million weddings each year until fiscal 2025.

Move towards convenience/outsourcing

As Indian weddings become more elaborate, personalized and tailored, it requires more effort from the family and community of the marrying couple. In this regard, there is a gradual shift towards convenience and outsourcing of activities pertaining to marriage services. This will also result in an increase in marriage services spend.

OUR BUSINESS

The information in this section should be read together with the financial and other information included in this Draft Red Herring Prospectus. Data included in this section in relation to key business metrics has been reviewed and verified by R.G.N. Price & Co., a firm of Chartered Accountants, and is included in their report dated August 11, 2015 (the “**Key Business Metrics Report**”). The information in this section is also derived from other sources including the Internet World Stats statistics available at <http://www.internetworldstats.com>; traffic share distribution from July 2013 to May 2015 for Matrimony.com, Jeevansathi and Shaadi compiled by comScore Technologies India Private Limited (the “**comScore Report**”); and the industry reports dated November 21, 2014 entitled “Market Size Estimation of Online Matrimony Market” (the “**Online Matchmaking Report**”) and “Market Assessment of Marriage Services Market” (the “**Marriage Services Report**”) and together with the Online Matchmaking Report, the “**KPMG Reports**”) prepared by KPMG, an independent management consultant, pursuant to an engagement with the Company. The KPMG Reports contain disclaimers and scope limitations pertaining to the work performed by it, a summary of which is set out below. The KPMG Reports should be referred to for the full text of the disclaimers and scope limitations.

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Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the 12-month period ended March 31 of that year.

Overview

Our business comprises three segments – matchmaking services, marriage services and related sale of products and other services which include our mobile-only relationship app, “Matchify”.

According to the comScore Report, we are the leading provider of online matchmaking services in India in terms of the average number of website pages viewed by unique visitors in May 2015 (Matrimony.com data does not include data from all sites under Matrimony.com). We deliver matchmaking services to our users in India and the Indian diaspora through our websites, mobile sites and mobile apps complemented by our on-the-ground network in India. Our brand, BharatMatrimony.com, has been ranked as India’s most trusted online matrimony brand by The Brand Trust Report India Study 2014 (a study covering 20,000 brands across 16 cities) and we believe that our other

matchmaking brands such as CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com are well-established in India.

According to the Online Matchmaking Report, there were approximately 93 million unmarried individuals in India within the marriageable age bracket in 2014, being 18 to 35 years for females and 21 to 35 years for males. It is estimated that approximately 71 million marriages will take place in India from 2015 to 2020. In addition, it is estimated that as of July 1, 2014, there were approximately 243 million Internet users (being individuals, of any age, who can access the Internet at home, via any device type (PC or mobile) and connection) in India, with an Internet penetration of 19.19%, compared to approximately 86.75% in the United States and 46.03% in China (source: <http://www.internetlivestats.com/>). According to the Online Matchmaking Report, the number of Internet users in India is expected to reach over 500 million users by fiscal 2018, which would increase the penetration level to slightly under 40.00% of the Indian population. Our leading position in the online matchmaking market in terms of the average number of website pages viewed by unique visitors in May 2015 in India allows us to take advantage of this opportunity.

According to the United Nations Children's Fund, as of 2012, approximately 89.00% of marriages in India are arranged (source: "Arranged/Forced Marriage Statistics – Statistic Brain" 2014 Statistic Brain Research Institute, publishing as Statistic Brain. April 17, 2015 <http://www.statisticbrain.com/arranged-marriage-statistics/>). Such arranged marriages are largely facilitated by families, friends, community elders, priests or matchmaking agencies. However, increasing mobility of individuals in Indian society, increasing freedom of choice over key life decisions and the reach, choice, privacy, speed of communication and interaction provided by the online medium provide an opportunity for online matchmaking service providers like our Company. The younger generation in India is increasingly seeking to play a larger role in the decision-making process for their marriages. Online matchmaking service providers aim to bridge this gap and provide an online platform for arranged marriages whereby prospective brides and grooms and their families can both participate in the process of finding marriage partners.

As one of the first companies to provide online matchmaking services in India, we believe that we have an early mover advantage among consumers seeking online matchmaking services. As of March 31, 2015, we had a large database of profiles comprising 2.65 million active profiles (being profiles that have been published or logged in at least once during the prior 180-day period), which we believe creates a network effect that attracts more users to register or subscribe through our websites, mobile sites and mobile apps and also results in higher customer engagement, which in turn drives monetization of our user base and enables us to maintain a leading position in the online matchmaking market in India. According to the Key Business Metrics Report, in fiscal 2013, fiscal 2014 and fiscal 2015, we had 568,000, 571,000 and 647,000 paid subscriptions, respectively. We also believe that we have a high degree of brand recall and trust in India, as evidenced by the average number of our website pages viewed by unique visitors in May 2015 in the comScore Report (Matrimony.com data does not include data from all sites under Matrimony.com), and an efficient business model with low credit risk which has allowed us to fund the growth of our business primarily through internal accruals since fiscal 2009.

We differentiate ourselves from other players in India by following a micro-market strategy whereby we offer a range of targeted and customized products and services that are tailored to meet the requirements of customers based on their linguistic, religious, caste and community preferences as well as personalized matchmaking services such as AssistedMatrimony and EliteMatrimony. We leverage technology and analytics across all stages of the matchmaking process to drive acquisition of profiles, assist members in completing their profiles, validate profiles based on rules designed to remove inappropriate content in near real-time, identify appropriate channels of service for members and assist members in choosing the right packages, thereby helping in value creation and monetization. We believe that such technology and analytics are secure, scalable and analyze large volumes of data.

We intend to continue to invest in our mobile platform in view of the increasing mobile usage among users in India. To increase our footprint on the mobile platform, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows and intend to continue to expand our mobile offerings. For example, we have, through our subsidiary Matchify Services Private Limited, recently introduced a mobile-only relationship app, "Matchify", on the Android mobile platform.

According to the Marriage Services Report, the marriage services industry in India is estimated to be worth ₹ 3,290 billion in fiscal 2014, with catering, decoration, venue, gifts and photography accounting for approximately 61.00%

of marriage services spends in fiscal 2014. However, the majority of the categories of marriage services in India are unorganized and highly fragmented, presenting a potential opportunity for an organized aggregator to provide these services. In this regard, we are expanding into the growing marriage services market to complement and leverage off our online matchmaking services. For example, we have launched marriage services such as MatrimonyDirectory.com, a listing website for marriage-related directory services including listings for wedding venues, wedding planners, wedding cards and caterers, and have also recently introduced MatrimonyPhotography.com to provide wedding photography and videography services, which has been launched in Tamil Nadu and Kerala. According to the Marriage Services Report, it is expected that Indian weddings will become more elaborate and extravagant due to factors such as rising disposable incomes, the gradual shift towards convenience and the aspiration for personalized weddings, leading to an increase in wedding spend from customers. We believe that our proposed diversification beyond online matchmaking to marriage services, through the launch of marriage services initiatives, provides an opportunity for us to tap into this emerging segment. We believe that the provision of ancillary marriage services is an extension of our online matchmaking business and we will benefit from having a common customer base that has been acquired over the years through our online matchmaking business.

To support our online matchmaking services and marriage services initiatives, we have devoted resources to developing and maintaining our sales infrastructure, sought to develop innovative products and product features to enhance user experience through our research and development (“R&D”) efforts, instituted information security policies and established corporate governance policies and practices.

In fiscal 2013, fiscal 2014 and fiscal 2015, we generated consolidated total revenue of ₹ 1,887.83 million, ₹ 2,073.14 million and ₹ 2,428.41 million, respectively, of which ₹ 1,873.22 million, ₹ 1,988.55 million and ₹ 2,319.91 million, respectively, was attributable to our matchmaking services segment. Our restated consolidated profit before exceptional items, interest, tax, depreciation and amortization (EBITDA) was ₹ 161.99 million, ₹ 130.46 million and ₹ 178.08 million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively. Our restated consolidated profit before minority interest from continuing operations was ₹ 104.35 million in fiscal 2013 and our restated consolidated loss before minority interest from continuing operations was ₹ 91.35 million and ₹ 29.04 million in fiscal 2014 and fiscal 2015, respectively, which are largely attributable to certain exceptional item losses in fiscal 2014 and fiscal 2015.

Our Strengths

We believe that we are the leading online matchmaking services provider in India, which is attributable to the following competitive strengths:

Large Database of Profiles and Consequential Network Effect

We started offering our online matchmaking services in 2001. We believe that as one of the first companies to offer online matchmaking services in India, we have an early mover advantage among customers seeking online matchmaking services and this has enabled us to build a large database of profiles over several years. As of March 31, 2015, we had a database comprising 2.65 million active profiles, according to the Key Business Metrics Report. We believe that a large database of profiles, such as the one we have developed, maintained and grown over several years, requires considerable time and effort to establish and maintain, which creates a significant barrier to entry. We believe that our large database of profiles creates a consequential network effect that attracts more users to register or subscribe through our websites, mobile sites or mobile apps and also results in higher customer engagement on our websites, mobile sites and mobile apps, which in turn enables us to maintain a leading position in the online matchmaking market in India. According to the Key Business Metrics Report, in fiscal 2013, fiscal 2014 and fiscal 2015, we had 568,000, 571,000 and 647,000 paid subscriptions, respectively, and our average transactional value (“ATV”), being the total revenue earned (net of service tax) from our matchmaking services segment for the period divided by the total number of paid subscriptions for the period, was ₹ 3,325, ₹ 3,551 and ₹ 3,655, respectively. Further, the repository of information from our large database of profiles allows us to build a differentiated capability in providing our user base with an engaging user experience through analytics.

Micro-Market Strategy and Customized or Personalized Services

We recognize that our customers are making important life decisions and in this regard, we have adopted a micro-market strategy whereby we offer a range of targeted and customized products and services that are tailored to meet the specific requirements of customers based on their religious or caste preferences or other criteria such as marital status and age bracket. For example, we cater to the needs of various communities through CommunityMatrimony, a consortium of various matrimony portals comprising more than 300 community matrimony sites.

We also provide personalized matchmaking services through relationship managers to users through EliteMatrimony and AssistedMatrimony. We believe that our micro-market strategy differentiates us from other players in India and enables us to grow in a fragmented and unorganized industry that has historically been difficult to monetize in a sustainable manner at scale.

Strong Consumer Brand

We believe that we have a high degree of brand recall and trust in India, as evidenced by the average number of our website pages viewed by unique visitors in May 2015 in the comScore Report (Matrimony.com data does not include data from all sites under Matrimony.com). BharatMatrimony.com has been ranked as India's most trusted online matrimony brand by The Brand Trust Report India Study 2014 (a study covering 20,000 brands across 16 cities) and has been featured in the Limca Book of Records for record number of documented marriages online. Based on a study on India's online landscape, the online research firm, JUXT, certified BharatMatrimony.com as the most used matrimonial search website in 2013-2014 by Indian online consumers. We believe that a quality database is important in the online matchmaking business and is critical to building trust with users. We invest efforts and resources in maintaining and continuously improving the quality of our database. For example, all of our member profiles are authenticated by mandatory mobile number verification and registered members have an option to add "Trust Badges" to their profiles, such as the "Identity Trust Badge" which is activated by uploading a copy of any specified government-issued identity proof to add credibility to their profiles.

Wide On-the-Ground Network for Customer Acquisition and Support

As of March 31, 2015, we had 193 retail centers distributed across India where potential or existing customers can walk in and seek the assistance of retail executives to register on our websites and/or make payment for the matchmaking product or service of their choice. In addition, as of March 31, 2015, we had service delivery centers in 12 cities where service teams provide services such as reaching out to our members to educate them of the features and facilities available on our websites, mobile sites and mobile apps to assist them in making better use of our online matchmaking services and choosing the most appropriate service and subscription package based on their requirements, assisting with doorstep collection and assisting customers in making payments. We believe that our on-the-ground network of retail centers and service team helps in the customer education process, builds trust among our customers and drives monetization by encouraging existing free members to take up paid subscriptions.

Robust Technology and Analytics

We leverage technology and analytics across all stages of the matchmaking process such as acquisition and registration of profiles, validation, mutual discovery process and member contact. Technology and analytics are used extensively to drive acquisition of profiles, assist members in completing their profiles, validate profiles based on rules designed to remove inappropriate content in near real-time, identify appropriate channels of service for members and assist members in choosing the right packages, thereby helping in value creation and monetization. We employ business intelligence, data warehousing, data analytics with IBM Unica systems for campaign management, big data analysis and search algorithms development to provide fast and responsive service to our customers. Matrimony.com's Intelligent Matchmaking Algorithm ("MIMA") is a real-time recommendation engine which we have developed in-house using mathematical rules and machine learning systems that recommends appropriate profiles to members, thereby enhancing user experience. In 2015, we received a certificate of excellence from the National Association of Software and Services Companies ("NASSCOM") for "innovative application of analytics for business solution". In addition, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows. As of March 11, 2015, our BharatMatrimony Android mobile app has achieved one million installs according to www.androidrank.org. A significant number of our members currently

utilize our mobile sites and mobile apps for online matchmaking. According to the Key Business Metrics Report, in June 2015, 67.00% of profile views, 55.00% of “Express Interest” messages, 35.00% of personalized messages sent and received and 38.00% of phone numbers viewed on our BharatMatrimony portals were undertaken through our mobile sites and mobile apps, and registrations through our mobile sites and mobile apps accounted for 44.00% of the total number of free profiles registered on our database. Our technologies and analytics are secure, scalable and analyze large volumes of data. Further, we have a technology team which works on innovating products to enhance features, mobile apps and product offerings for PC and mobile platforms.

Efficient Business Model

We believe that our business model is efficient and tailored for the Indian market. Members who subscribe for our paid online matchmaking packages are required to make payments in advance before they are able to access certain features and functionalities on our websites, mobile sites and mobile apps that are not available to free members, which we believe results in low credit risk in our matchmaking business. In addition, we have maintained focus on capital efficiency and have grown without incurring any material indebtedness, and have instead funded the growth of our business primarily through internal accruals since fiscal 2009.

Our Strategy

To sustain our future growth and development, we have employed and will continue to employ the following strategies:

Expand Our User Base

According to the Online Matchmaking Report, the online matchmaking industry is still at a nascent stage in India and accounts for only 4.00% of marriages in India, providing a significant opportunity to grow in this space. In 2014, there were approximately 58.50 million individuals in India actively seeking prospective marriage partners and approximately 93 million unmarried individuals in India within the marriageable age bracket in 2014, being 18 to 35 years for females and 21 to 35 years for males. It is estimated that the population within the marriageable age bracket in India is expected to grow at an average rate of 0.92% until 2020 and that approximately 71 million marriages will take place in India from 2015 to 2020. To take advantage of this opportunity, we intend to continue to drive profile registrations and expand our user base by enhancing our user experience and engagement to ensure that existing users continue to visit, and new users are attracted to visit, our websites, mobile sites and mobile apps and that both existing free users and new users subscribe to our paid services. This is important since we lose members on an ongoing basis once they have found suitable matches and we believe that our online matchmaking websites, mobile sites and mobile apps will only be attractive to users if we maintain a large database of profiles of prospective brides and grooms. To enhance our user experience, we intend to enhance the utility, features and verification processes of our existing products and services and create new products and services customized for diverse groups of users based on their geographic location, interests and other criteria. We also intend to deepen our geographic penetration across all parts of India and continue to drive registrations through our mobile platform.

Continue Investments in Mobile Platform

We intend to continue to invest in our mobile platform in view of the increasing mobile usage among users in India. It is estimated that mobile Internet penetration in India will grow at an average CAGR of 25.00% to reach 519 million users by fiscal 2018 (source: <http://timesofindia.indiatimes.com/tech/tech-news/India-to-have-519-million-mobile-internet-users-by-FY18-Morgan-Stanley/articleshow/36656019.cms>). A significant number of our members currently utilize our mobile sites and mobile apps to access our online matchmaking services. According to the Key Business Metrics Report, in June 2015, 67.00% of profile views, 55.00% of “Express Interest” messages, 35.00% of personalized messages sent and received and 38.00% of phone numbers viewed on our BharatMatrimony portals were undertaken through our mobile sites and mobile apps, and registrations through our mobile sites and mobile apps accounted for 44.00% of the total number of free profiles registered on our database.

To increase our footprint on the mobile platform, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows and intend to continue to expand our mobile offerings. For example, we have,

through our subsidiary Matchify Services Private Limited, recently introduced a mobile-only relationship app, “Matchify”, on the Android mobile platform, which focuses on the mobile dating space in India and seeks to help users find a match closer to their location and interest. We aim to provide our users with a rich mobile experience and all features and functionalities available on our websites will similarly be made available on our mobile sites and mobile apps. As of March 11, 2015, our BharatMatrimony Android mobile app has achieved one million installs according to www.androidrank.org.

Drive Monetization

We intend to drive monetization of our existing user base by increasing the value of our network through expanding our user base, improving the quality of user profiles and improving the ease of searching profiles and the quality of search results and responses. We aim to do these by investing in technology to make our websites, mobile sites and mobile apps more user-friendly, continuously improving on existing products and services and creating more relevant new products and services, improving the quality of user profiles by encouraging users to include photographs and complete profile information through marketing campaigns, and developing better matchmaking algorithms (in addition to our existing MIMA algorithm) to ensure more relevant matches in searches. We intend to further drive monetization of our user base by increasing the use of analytics to identify prospective users who may opt for paid subscription.

We believe that an experienced and well-trained service team is also critical to our efforts to drive monetization. In this regard, we intend to devote resources towards developing and expanding our sales infrastructure to provide quality support to our users. Our service team assists users with registration, profile completion, search and making better use of our websites, mobile sites or mobile apps and also informs registered members on the benefits of paid subscription. If a member opts for paid subscription, our service team assists them in selecting an appropriate subscription package and payment channel. Further, we intend to invest resources in developing and training our collection team to collect efficiently and upsell. Through these means, we aim to encourage users to convert from free membership to paid subscriptions and also to upsell packages to, and improve renewals among, existing paid users.

Further Strengthen Our Brands

Our brands constitute an important asset and we intend to continue to take steps to further develop and enhance our brands, especially BharatMatrimony.com, CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com, through activities such as television advertising, online advertising and social media advertising. For details in relation to some of our proposed advertising and brand-building activities, see the section titled “*Objects of the Offer*” on page 108. Our BharatMatrimony “Happy Marriage” television commercial was voted among the top 10 advertisements of 2013 by the brand equity editorial panel of a leading business newspaper in India, The Economic Times and also won a special jury mention for gender sensitivity (2013-2014) at The National Laadli Media and Advertising Awards in 2015 for portraying women positively. We have spent 24.49%, 23.22% and 21.93% of our total consolidated revenue in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, on advertisement and business promotion expenses, and we will continue to spend a significant portion of our revenue on promotional and marketing activities. We believe that such efforts will enhance the visibility of our brands, drive registration levels and result in increased conversion to paid subscriptions, which will consequently enable us to retain our leading position in the online matchmaking services market in India as well as maintain our position as the most used online matchmaking website in India.

Continue to Expand into Marriage Services

A key strategy for driving monetization is to increase the length of our relationship with our customers and increase the amount of revenue earned from our customers by offering additional marriage services to our online matchmaking user base. According to the Online Matchmaking Report, the marriage services industry in India is estimated to be worth ₹ 3,290 billion in fiscal 2014, with catering, decoration, venue, gifts and photography accounting for approximately 61.00% of marriage services spends in fiscal 2014. However, the majority of the categories of marriage services in India are unorganized and highly fragmented, presenting a potential opportunity for an organized aggregator to provide these services. In this regard, we have leveraged our brands, user activity on our platforms and our online matchmaking client base to diversify into marriage services to take advantage of the

lack of organized services in this fragmented market. We intend to continue to invest in building our marriage services verticals, with a focus on adjacent areas with a synergy with our core online matchmaking business, to target our existing online matchmaking clients and also clients who require marriage services. Marriage services that we have introduced in recent years include MatrimonyDirectory.com for marriage-related directory services and MatrimonyPhotography.com to provide wedding photography and videography services and we have also introduced Tambulya.com, an online marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts for weddings and other occasions on a bulk order basis.

Our Business

Our Revenue Model

Our business comprises three segments – matchmaking services, marriage services and related sale of products and other services which include our mobile-only relationship app, “Matchify”. Our matchmaking service segment is based on a subscription revenue model and our marriage services and related sale of products segment is based on a diverse revenue model ranging from listing fees, transaction fees and commission income. “Matchify” is currently a free service.

While profile registration on our websites, mobile sites and mobile apps is free and we offer certain services to both free and paid members on our websites, mobile sites and mobile apps, the ability to access contact information of prospective matches and certain other features and functionalities (such as the ability to send personalized messages to, access verified mobile numbers of, view the social and professional profiles and horoscopes of, or have personalized chats with, other members) is only reserved for paid members. Subscription on our websites, mobile sites and mobile apps is pre-paid and packages are available for a term of three months to six years. In fiscal 2015, subscription revenue accounted for almost all of our revenue for matchmaking services and our matchmaking services segment accounted for 95.53% of our consolidated total revenue, and we had 647,000 paid subscriptions.

We have launched marriage services such as MatrimonyDirectory.com for listing of matrimony-related directory services and MatrimonyPhotography.com to provide wedding photography and videography services and have also introduced Tambulya.com, an online marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts for weddings and other occasions on a bulk order basis, and we also plan to launch an online transaction marketplace for wedding services. Our revenue from MatrimonyDirectory.com, MatrimonyPhotography.com and Tambulya.com is derived from listing fees from vendors, transaction fees for photography and videography services and commission income from sellers on the Tambulya platform, respectively. The launch of these marriage services and online marketplace for sale of gifts initiatives provides an opportunity for us to leverage our online matchmaking client base and increase our revenue from marriage services and sale of gifts, providing an avenue for long-term growth in the future.

Matchmaking Services

According to the comScore Report, we are the leading provider of online matchmaking services in India in terms of the average number of website pages viewed by unique visitors in May 2015 (Matrimony.com data does not include data from all sites under Matrimony.com). Our matchmaking brands include BharatMatrimony.com, CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com.

While profile registration on our matchmaking websites, mobile sites and mobile apps is free and we offer certain services to both free and paid members on our websites, mobile sites and mobile apps, the ability to access contact information of prospective matches and certain other features and functionalities is only reserved for paid members.

BharatMatrimony.com has been featured in the Limca Book of Records for record number of documented marriages online and Matrimony.com received the NDTV-Hindu Lifestyle Award in July 2011 as the “Best Community Matrimony Website”. Based on a study on India’s online landscape, the online research firm, JUXT, also certified BharatMatrimony.com as the most used matrimonial search website in 2013-2014 by Indian online consumers. BharatMatrimony.com has a large database of profiles of prospective brides and grooms and provides a platform for the listing and exchange of information in relation thereto. Although the database is largely made up of profiles of

persons in India, it also includes profiles of persons of Indian origin residing overseas, including in the United Kingdom, the United States, Canada, Australia, Sri Lanka, Malaysia and the United Arab Emirates.

In fiscal 2015, 2.57 million free profiles were registered through our websites, mobile sites and mobile apps and we had 647,000 paid subscriptions. In addition, as of March 31, 2015, we had a database comprising 2.65 million active profiles and 20.89 million free profiles had been added to our database since January 2006.

We offer the following differentiated paid membership products and services on our BharatMatrimony.com, CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com websites, mobile sites and/or mobile apps which in turn facilitate upselling and higher ATV per paid user, being the total revenue earned (net of service tax) from our matchmaking services segment for the period divided by the total number of paid profiles.

Key Operating Metrics

We believe that the following are the key business metrics which drive revenue growth and operating leverage of our online matchmaking business as they increase in scale:

- Portal metrics – Number of free profiles registered.
- Financial metrics – Number of paid subscriptions, ATV, headcount and number of retail centers and service delivery centers.

We utilize data analytics algorithms to track consumer trends to assist us in driving monetization of our user base by increasing our paid subscription rate.

BharatMatrimony.com



- Classic, Classic Advantage and Classic Premium – Under these packages, our members are able to send personalized messages to other members, view member horoscopes, chat with prospects, view verified mobile numbers of other members and in certain cases, include priority listing of profiles in search results. The pricing for these packages ranges from ₹ 3,900 to ₹ 10,300, depending on the length of subscription of three or six months.
- Till-U-Marry – This package comes in either a “regular” or “advantage” option. Under this package, our members are able to send personalized messages to other members, view member horoscopes, chat with prospects, view verified mobile numbers of other members and in certain cases, include priority listing of profiles in search results. The pricing for the “regular” option and the “advantage” option is ₹ 9,900 and ₹ 12,900, respectively. This package is valid for up to six years or the date of marriage, whichever is the earlier and after the second year, users are required to pay ₹ 1,000 as annual service fee. If the annual service fee is not paid, the package expires after the second year.

We also provide our users on BharatMatrimony.com with the option to augment their profiles through certain add-on features on their profiles, such as “Profile Highlighter”, which ensures that a profile is displayed prominently in search results (at ₹ 1,400 for two months) and “Astromatch”, which allows a user to match his or her horoscope with prospective marriage partners’ horoscopes (at ₹ 650 for three months, providing the ability to compare horoscopes of up to 50 marriage prospects or ₹ 900 for six months, providing the ability to compare horoscopes of up to 100 marriage prospects). Profiler Highlighter services are also included free of charge with our Classic Premium package for one month.

CommunityMatrimony.com

Over 300 Exclusive Community Sites

- Gold, Diamond and Platinum – Under these packages, our members are able to send personalized messages to other members, view member horoscopes, chat with prospects, view verified mobile numbers of other members and in certain cases, include priority listing of profiles in search results. The pricing for these packages ranges from ₹ 3,890 to ₹ 6,390, depending on the length of subscription of three or six months. The Gold and Diamond packages are available only for a three-month subscription period.
- Till-U-Marry – This package comes in only a “regular” option. Under this package, our members are able to send personalized messages to other members, view member horoscopes, chat with prospects, view verified mobile numbers of other members and in certain cases, include priority listing of profiles in search results. The pricing for this package is ₹ 8,999 and is valid for up to six years or the date of marriage, whichever is the earlier. An annual subscription fee of ₹ 999 is payable for every year of membership and the subscription fee is waived for the first year of membership.

Like BharatMatrimony.com, we also provide our users on CommunityMatrimony.com with certain add-on features on their profiles. In addition to Profile Highlighter and Astromatch features, we also provide users on CommunityMatrimony.com add-ons such as “Profile of the Day”, which allows a user to display an attractively designed profile visible to members for one preferred day. Profiler Highlighter services are also included free of charge with our Diamond and Platinum packages for one month and our Till-U-Marry package for two months.

Twin Pack – We have recently launched a combination package which offers access to both our BharatMatrimony.com and CommunityMatrimony.com database. The pricing for the twin pack is ₹ 5,500 and is valid for three months. The pricing for the Till-U-Marry Twin Pack is ₹ 12,900 and is valid for up to six years or the date of marriage, whichever is the earlier. An annual subscription fee of ₹ 1,500 is payable after the first year and the package expires after the first year if the annual service fee is not paid.

AssistedMatrimony.com



This package involves matchmaking services supported by relationship managers who provide personalized assistance to subscribed users. Relationship managers contact the prospects on behalf of the customer after taking the customer’s consent and facilitate communication and meetings based on mutual interest. The pricing for these services ranges from ₹ 19,000 to ₹ 36,000, depending on the length of subscription of three or six months. Profile Highlighter services are included in our Assisted Matrimony package free of charge for one month.

EliteMatrimony.com



- Gold, Blue, Platinum and Till-U-Marry – These packages involve personalized matchmaking services from relationship managers for the rich and affluent. The pricing for the Gold, Blue and Platinum packages range from ₹ 56,180 to ₹ 159,600, depending on the length of subscription that range from three to 12 months. Members who subscribe for the Blue six-month package and the Platinum 12-month package are required to pay a fee of ₹ 50,000 and ₹ 100,000, respectively, upon a successful match. The pricing for the Till-U-

Marry premium package is ₹ 228,000 and members who subscribe for this package are required to pay a fee of ₹ 200,000 upon a successful match.

A description of certain of our key brands is set out below:

- BharatMatrimony.com comprises a network of 15 regional portals such as TamilMatrimony, KeralaMatrimony, TeluguMatrimony, BengaliMatrimony and HindiMatrimony. BharatMatrimony utilizes analytics to undertake a detailed analysis of each customer's preferences to better match them with suitable partners. After around 30 days of registration with BharatMatrimony.com or one of its regional portals, each member is given the option to replicate his or her profile at our CommunityMatrimony.com portals. Upon the exercise by the customer of such option, a copy of his or her profile will be replicated on our CommunityMatrimony.com portals based on the details provided during the time of registration.
- CommunityMatrimony.com is a consortium of various matrimony portals comprising more than 300 community matrimony sites catering to the needs of various communities based on religion, caste and other exclusive categories. It includes religion-based matrimony sites like ChristianMatrimony, MuslimMatrimony, SikhMatrimony, JainMatrimony and BuddhistMatrimony as well as caste-based matrimony sites like AgarwalMatrimony, YadavMatrimony, KayasthaMatrimony, MarathaMatrimony and RajputMatrimony. It also includes other exclusive domains such as AbilityMatrimony, DivorceeMatrimony, 40plusMatrimony, DefenceMatrimony, ManglikMatrimony and AnyCasteMatrimony.

For details on the matchmaking industry in India, see “*Industry Overview*” on page 138.

Mobile Matchmaking

We intend to continue to invest in our mobile platform in view of the increasing mobile usage among users in India. It is estimated that mobile Internet penetration in India will grow at an average CAGR of 25.00% to reach 519 million users by fiscal 2018 (source: <http://timesofindia.indiatimes.com/tech/tech-news/India-to-have-519-million-mobile-internet-users-by-FY18-Morgan-Stanley/articleshow/36656019.cms>). To this end, we have developed a wide range of mobile apps across mobile platforms including iOS, Android and Windows and will continue to expand our mobile offerings. As of March 11, 2015, our BharatMatrimony Android mobile app has achieved one million installs according to www.androidrank.org. A significant number of our members currently utilize our mobile sites and mobile apps for online matchmaking. According to the Key Business Metrics Report, in June 2015, 67.00% of profile views, 55.00% of “Express Interest” messages, 35.00% of personalized messages sent and received and 38.00% of phone numbers viewed on our BharatMatrimony portals were undertaken through our mobile sites and mobile apps, and registrations through our mobile sites and mobile apps accounted for 44.00% of the total number of free profiles registered on our database.

Marriage Services and Related Sale of Products

To complement our online matchmaking services and to take advantage of the lack of organized services in the marriage services market in India, we have launched the following services:

matrimonydirectory.com
From BharatMatrimony

- MatrimonyDirectory.com is a wedding classified portal with more than 50,000 listings in India to facilitate and connect customers with the right service provider. MatrimonyDirectory.com seeks to provide a comprehensive solution for customers to plan a wedding conveniently and professionally by providing information about a wide range of wedding-related services in one portal, including wedding venues, florists and flower decorations, wedding planners, wedding cards, caterers and bridal makeup artists.



- MatrimonyPhotography.com was launched to provide wedding photography and videography services. We provide our wedding photography and videography services, some of which may be outsourced, through trained photographers and videographers. We also plan to enhance our wedding photography and videography services through the utilization of technology to allow customers and their guests to create photo albums and videos in an interactive manner online. MatrimonyPhotography.com has been launched in Tamil Nadu and Kerala.



- Tambulya.com is a website focusing on gifts for weddings and other occasions on a bulk order basis. It is an online transaction marketplace connecting buyers with independent manufacturers/retailers with multiple product categories and independent aggregators who manage unorganized sellers. Tambulya.com is operated by our wholly-owned subsidiary, TambulyaOnline Marketplace Private Limited, and serves as an interface between the customer and independent sellers/aggregators. TambulyaOnline Marketplace Private Limited receives payment of a commission from the sellers/aggregators. We intend to leverage synergies with Matrimony.com's existing capabilities to differentiate Tambulya.com in the market.

For details on the marriage services industry in India, see “*Industry Overview*” on page 138.

Other Services

We have recently launched a mobile-only relationship app, “Matchify”, on the Android mobile platform, to enter the online dating market in India. “Matchify” is intended to cater to a younger age group and seeks to help users find a match closer to their location and interest. “Matchify” has in-built safety features including mobile number verification, chat which only women can initiate with men directly (unlike men who can utilize the chat function only when there is a mutual like), photo screening and the ability to block a user. “Matchify” is 100.00% owned by our wholly-owned subsidiary, Matchify Services Private Limited.

Our Users and Platforms

Our online matchmaking services are available to users by registering through multiple platforms – through the Internet, mobile sites, mobile apps and retail.

In fiscal 2015, 2.57 million free profiles were registered through our websites, mobile sites and mobile apps and we had 647,000 paid subscriptions. In addition, as of March 31, 2015, we had a database comprising 2.65 million active profiles and 20.89 million profiles had been added to our database since January 2006. We believe that we are able to attract new users due to the size, depth and reliability of our database of profiles and the availability of our database to users quickly and with ease.

Through our multiple platforms, we provide our users with multiple methods for finding a suitable match – online searches, suggested matches through emails, contacting matches on the telephone and SMS. A registered user can search the database on our websites, mobile sites and mobile apps by using various basic criteria, such as gender, occupation, age, height and mother tongue, as well as certain other criteria such as community, religion, income, educational qualifications, occupation, country and city of residence. We also have a customer care service team which offers telephonic support and assistance to users. Once suitable prospects are identified, our platforms also provide our users with multiple channels of communication with prospects, such as “Express Interest” messages which are template messages available to all members including free members, and additional communication channels such as personalized messages, SMS, online chats or direct contact through verified mobile numbers which are available to paid members.

The Registration Process and Transaction Consummation

Registration and Profile Completion

Users of our websites, mobile sites and mobile apps are required to register with us in order to use our online matchmaking services. In addition, at the time of registration, all users of our websites, mobile sites and mobile apps must agree to our user agreements, which sets forth the various terms and conditions for the use of our websites, mobile sites and mobile apps, including the types of activities prohibited on our websites, mobile sites and mobile apps and the privacy policy applicable to the use of information on our websites, mobile sites and mobile apps. A user of our websites, mobile sites and mobile apps must provide the following information to become a registered member – name, gender, date of birth, religion, mother tongue, caste/division, country of residence, mobile number, email address and password. To create a complete profile, members can add more details and certain features to their profiles such as photographs, horoscope and “Trust Badges” which may result in better responses from prospects. In addition, members may add on an “AstroMatch” option which matches their horoscope with other members' horoscopes, analyzes partner compatibility based on birth stars, “Papasamya”, “Kujadosha” and “Dasasandhi” and generates instant online reports. Although uploading photographs is not mandatory, our members may choose to do so, since having photographs as a part of a profile generally facilitates the search process and results in more responses.

Members may contact, or may be contacted by, prospects who have identified the members' profile information as meeting his or her desired partner preferences. Our operations team verifies that photographs and horoscopes uploaded are in the required formats and verifies certain profile information content. It is mandatory for all members to verify their mobile numbers through our free mobile verification services to ensure that the number provided by a member is an active number, and only verified mobile numbers are displayed on members' profiles. Through such mobile verification process, duplicate or fraudulent profiles are identified and removed, maintaining the quality of our database of profiles. Once the profile registration has been completed by a member and the validation process has been completed, a “Matrimony ID” is assigned to such profile and the member's profile is listed on our websites, mobile sites and mobile apps.

Other features that members may add to complete their profiles include “Trust Badges” – the “Identity Badge” can be activated by uploading a copy of any specified government-issued identity proof, the “Social Badge” can be activated by adding Facebook or LinkedIn profile details, the “Professional Badge” can be activated by uploading a copy of the member's latest education certificate, the “Employment Badge” can be activated by adding a copy of the member's salary pay slip or, in case of a member who runs his or her own business, a copy of the latest electricity or telephone bill issued in the name of such member's company, and the “Reference Badge” can be activated by adding references from the member's personal or professional network along with their contact information. A member who uploads these documents can control access to these documents. The addition of “Trust Badges” to a member's profile is an easy way to build trust with prospects and the badges are visible to both free and paid members.

Partner Search

Upon completion of the registration process, members can access our database to search for prospective matches. A partner search can be undertaken based on various parameters from a minimum of five basic fields to a maximum of 30 fields using the various search options, namely the regular search, advanced search, soulmate search, keyword search, search by “Matrimony ID” and search among users who are online.

Members can manage their entire activities on our websites, mobile sites and mobile apps by adjusting their profile settings. Profiles can be shortlisted, ignored or blocked based on each member's preference. The “Express Interest”/personalized messages sent or received, choices and profiles viewed by the member and the list of other members who viewed the member's profile are stored and made available to the member.

Daily MatchWatch emails are sent to each member listing details of newly-added profiles which match such member's partner preferences and unviewed profiles from our database which match such member's partner preference. We study member behavior on our websites, mobile sites and mobile apps to suggest best fit matches based on each member's profile information through MIMA, a real-time recommendation engine which we have developed in-house using mathematical rules and machine learning systems. The most appropriate matches are

recommended to members to enhance user experience on our websites, mobile sites and mobile apps and to encourage free members to convert to paid subscriptions.

Communication Channels

Once members are registered with our websites, mobile sites or mobile apps, they can contact and may be contacted by other members. Free members can send standard format “Express Interest” messages to other members with whom they wish to initiate contact. “Express Interest” messages are template messages which are ideal to initiate contact.

In the case of paid members, they are able to access contact information of other members. The number of contacts that a paid member can access and the period over which such information can be accessed is determined by the particular package subscribed to by the member. Paid members can communicate by sending personalized messages using our messaging service, or chat with the other member using our chat facility. Paid members may also call or SMS other members directly using the mobile numbers provided in their profiles.

Payment Channels

Members who register with our websites, mobile sites or mobile apps are contacted by our service executives who provide details of the various products and services offered by us and are encouraged to subscribe for the products or services that best match their requirement.

As of March 31, 2015, we had 193 retail centers located across India representing regional markets and service delivery centers in 12 cities with a number of service executives who are supported by our own doorstep collection network. We have also engaged, in the past, third party collection agents for doorstep collection of subscription amounts from customers in certain cities. Our retail centers provide visibility and a footprint in each major metropolitan city and other cities in India, and potential or existing customers can walk-in and seek the assistance of retail executives to register on our websites and/or make payment for the matchmaking product or service of their choice. Our service delivery centers represent BharatMatrimony.com vernacular portals that are aligned to specific demographics. Through these service delivery centers, assistance is provided to users of our matchmaking services in choosing among various payment methods to pay for their subscription and/or purchases of our services including doorstep collection in cash or cheque in addition to the flexibility to pay online using net banking or debit/credit cards and through cash, cheque or demand draft at certain designated banks. In the case of net banking and debit/credit card payments, such transactions are processed through secured gateways.

Sales, Customer Service and Marketing

Sales

Our service team is divided into collection coordinators, doorstep service executives, telemarketing executives and sales and collection associate managers. We have a dedicated service team to reach out to members who are registered with our websites, mobile sites and mobile apps to educate them of the features and facilities available on our websites, mobile sites and mobile apps in order to assist them in making better use of our online matchmaking services and to choose the most appropriate service and subscription package based on their requirement and to convince existing free members to convert to paid subscription. Our service executives are supported by our collection executives who assist with doorstep collection and payment assistance executives who assist customers in making online or telephone payments or arrange for doorstep collection. When members express an interest upgrading their existing subscription packages to our service executives, we deploy our collection executives to meet them.

In addition, as of March 31, 2015, we had 193 retail centers located across India with a wide geographic spread that provide visibility and a footprint in each major metropolitan city and other cities in India. These retail centers are supported by television and radio advertising campaigns, and provide easy access to walk-in customers and those who prefer to call and visit a local service store. Potential or existing customers can walk in and seek the assistance

of retail executives to register with our websites and/or make payment for the matchmaking product or service of their choice.

We believe that an experienced and well-trained service team is critical to our operations, and we devote resources to developing and maintaining our sales infrastructure.

Customer Service

We have a customer care team which assists members in completing their registration on our websites, mobile sites and mobile apps, educates members on the features and facilities available to them on our websites, mobile sites and mobile apps and also handles customer complaints and grievances. In addition, we provide all of our “AssistedMatrimony” and “EliteMatrimony” subscribers with a dedicated relationship manager or customer service executive. Our customer care team provides service 24 hours a day and seven days a week, and may be reached by telephone, email or through the chat facility on our websites, mobile sites and mobile apps.

Marketing

The primary objective of our matchmaking business is to facilitate marriages between individuals seeking prospective partners. The nature of this business involves considerable customer churn, given that we lose customers on an ongoing basis when they find suitable matches. To address this, we are required to indulge in extensive advertising, brand-building and business promotion initiatives in order to attract new customers and ensure that we maintain a critical mass of members on our websites.

Given our micro-market strategy, our marketing and business promotion activities are required to showcase not only our BharatMatrimony brand, but our regional, religious, community and caste-based matrimonial brands and personalised matrimonial brands as well. We are required to invest significant resources for advertising in regional and local community channels (such as regional and vernacular television channels and radio frequencies) as well as advertising targeted to specific demographics (such as higher net worth individuals for EliteMatrimony), and in particular, in geographical markets that we plan to penetrate, in accordance with our business strategies.

Furthermore, our revenues from matchmaking services are significantly driven by the growth in our paid subscribers. Consequently, we invest, on a continuing basis, in advertising initiatives that are driven towards conversion of our existing free subscribers to paid subscribers as well as up-selling higher value subscription packages to our existing paying customers.

Marketing is one of our largest components of expenditure and advertisement and business promotion expenses constituted 26.79%, 24.78% and 23.66% of our total consolidated expenses in fiscal 2013, fiscal 2014 and fiscal 2015, respectively. We undertake a mixture of functional and brand advertising campaigns from time to time on radio and television networks, print media and outdoor advertising channels and our marketing strategy is to focus on brand building and enhancing traffic to our websites, mobile sites and mobile apps. In addition, we also undertake online marketing through our existing arrangements with platforms such as Google and Facebook, including through search engine optimization, display advertising and pay-per-click advertising. We believe that investment in our brand-building campaign will increase our profile and exposure to the market. For details of some of our proposed advertising and brand-building activities, see the section titled “*Objects of the Offer*” on page 108.

We believe that our online and offline (such as print media, television and outdoor advertisements) marketing strategies increase our brand awareness and attract users to our websites, mobile sites and mobile apps. Our BharatMatrimony “Happy Marriage” television commercial was voted among the top 10 advertisements of 2013 by the brand equity editorial panel of a leading business newspaper in India, The Economic Times.

We utilize a mixture of above the line and below the line advertising to reach out to both mass market and niche audiences. Our marketing channels primarily consist of online advertising, such as various search engines, and offline advertising using print or broadcast media to conduct mass media campaigns including television and radio. We currently utilize Internet search engines such as Google to drive a portion of our online traffic to our websites and mobile sites. The placement of the links to our websites and mobile sites on the results of a user search on such

search engines is used for driving online traffic to our website. Further, a portion of our users is currently directed to our websites through pay-per-click and display advertising campaigns. We also use digital marketing tools such as online display banners, and have presence in social media, such as Facebook.

In addition, we utilize direct marketing, combined with analytics, to drive or change member behavior. Direct marketing channels include websites, mobile sites, mobile apps and emails. Examples of targeted member behavior include encouraging members to complete their profiles, use the site to search and communicate, and subscribe to our paid services. Such behavioral change is brought about by predictive analytics about members and member behavior, and also through our experimentation with medium and messages.

Technology and Infrastructure

We believe that our success is dependent on our technology and know-how concerning our database, and that our technology information systems and infrastructure are key operational and management assets which are integral to the provision of our services and products. We recognize that our online matchmaking customers are taking a serious and important life decision. In this regard, we endeavor to provide customized and innovative solutions that are local to different communities and geographies to improve the experience of our users.

We leverage technology and analytics across all stages of the matchmaking process such as acquisition and registration of profiles, validation, mutual discovery process and member contact. Technology and analytics are used extensively to drive acquisition of profiles, assist members in completing their profiles, validate profiles based on rules designed to remove inappropriate content in near real-time, identify appropriate channels of service for members and assist members in choosing suitable packages, thereby helping in value creation and monetization. MIMA is a real-time recommendation engine which we have developed in-house using mathematical rules and machine learning systems that recommends the most appropriate profiles to members, thereby enhancing user experience. We benefit from a technology platform which we believe has a high level of security and scalability, and which has been designed to handle high transaction volumes. We have the ability to scale up or down our technology infrastructure to meet our operational requirements without incurring substantial costs as we use virtual machines and infrastructure wherever possible. As it is open source, we have also been able to lower our information technology costs due to simplified management and reduced systems maintenance.

Our systems infrastructure, Internet and database servers are housed in a secured location, and have monitoring and engineering support 24 hours a day and seven days a week to address technical difficulties and ensure continuity of our business. Our websites are currently hosted by Tata Communications Limited, LVSB, Data Center Mumbai, a service provider located in India.

We have dedicated in-house teams of employees specializing in portal development and operations, web development and management and database management which are critical to our operations. Our technology team works on developing innovative products to enhance customer features, mobile apps, and product offerings for web and mobile. See *“Risk Factors—We rely on telecommunications and information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our ability to effectively provide our products and services”* on page 17.

Research and Development

We seek to develop innovative products and product features that incorporate technology and intellectual property to enhance user experience. In 2015, we received a certificate of excellence from NASSCOM for “innovative application of analytics for business solution”.

Our R&D efforts are conducted by our R&D team in offices in Chennai. We employ business intelligence, data warehousing, data analytics with IBM Unica systems for campaign management, big data analysis and search algorithms development to provide fast and responsive service to our customers.

Our R&D team endeavors to maintain a knowledge base on frequently used technology applications relevant to our operations and work together with other business groups to deliver value-added solutions.

Our dedicated R&D team comprises software engineers and testing specialists and we believe that our R&D team possesses the industry expertise to research and develop new software applications for our daily business operations.

Information Security

We are committed to protecting the security of the information regarding our users. We maintain an information security team that is responsible for implementing and maintaining controls to prevent unauthorized users to access our systems. These controls include the implementation of information security policies and procedures, security monitoring software, access policies, password policies and physical access limitations. Our information security team also coordinates internal and external reviews on a periodic basis.

We have installed anti-virus software to prevent our systems and infrastructure from being infected and crippled by computer viruses. All of our servers as well as at our offices are also secured with firewalls to prevent hacking.

Corporate Governance

As part of our corporate governance practice, we have in place a whistle blower policy and a code of conduct. In addition, as of the date of this Draft Red Herring Prospectus, there are eight Directors on the Board of our Company, of which three are independent Directors, including our non-executive Chairman. The Board is supported by specialized committees such as an Audit Committee, a Risk and Governance Committee and a Nomination and Remuneration Committee. For further details, see the section titled “*Our Management– Corporate Governance*” on page 188.

Competition

We operate in a competitive industry characterized by evolving standards, emerging customer preferences and requirements and pricing. The principal competitive factors include brand recognition, critical mass of users on our websites, mobile sites and mobile apps, breadth and depth of matrimony-related services, as well as the overall quality of user experience on our websites, mobile sites and mobile apps. Additional factors which drive competition in attracting users to our websites, mobile sites and mobile apps include the quality and reliability of our technology, our ability to provide customer service and the efficiency of the profile matching process.

Our key online matchmaking competitors are Shaadi.com and Jeevansathi.com, and our offline competitors include the more traditional brick and mortar companies offering marriage bureau and matchmaking services as well as community associations. In addition, new boutique businesses that provide integrated or specialized services and are technologically proficient, especially in the new media arena, are competing with us, which makes it imperative for us to incorporate new technologies and acquire new capabilities in product delivery and client servicing.

Increased competition may reduce our operating margins as we expend more of our resources to develop new products and services and increase our marketing and promotional efforts to maintain our market position and to strengthen our brands. See “*Risk Factors—We face significant competition in our business from Indian companies, and we may be unsuccessful in competing against current and future competitors, which could have an adverse impact on the pricing of our services as well as increase the costs associated with growing our customer base*” on page 18.

Employees

We operate in a knowledge-driven industry and we believe that hiring and retaining employees who are motivated and who take initiatives is key to the success of our business. Our personnel policies are therefore aimed at recruiting the type of employees we need for our business, facilitating their integration in our work force, encouraging the development of their skills in order to accompany the growth in our operations and organizing their geographic and professional mobility.

We follow a defined selection process for our employees, comprising screening of applicants, interviews and background and reference checks. We have developed a structured incentive program, including a performance-based incentive pay structure for certain levels of employees, and we have dedicated significant resources to training programs, including management, and sales and marketing training programs. Employee benefit expense is the largest cost component of our business.

We have witnessed a significant growth in the number of our employees commensurate with the scaling up of our businesses to take advantage of the large market opportunity. Our Company's employee headcount has grown from 3,629 employees (based on the payroll register of the Standalone Company as of March 21, 2013, the 21st of each month being the cut-off date for our payroll processing) to 4,106 employees (based on the payroll register of the Standalone Company as of March 21, 2015, the 21st of each month being the cut-off date for our payroll processing).

None of our employees are represented by a labor union and we have not experienced any work stoppages to date. We believe that our relations with our employees are good. We also contract with third parties for the provision of temporary employees from time to time based on the needs of our businesses for various functions, including housekeeping and security.

We have implemented a stock option scheme for certain categories of our employees. For details of the plan, see "*Capital Structure*" on page 85.

Corporate Social Responsibility

Our corporate social responsibility ("CSR") activities include BharatBloodBank.com, BharatEyeBank.org, BharatGreenHands.org and AbilityMatrimony.com.

- BharatBloodBank.com is a non-profit initiative intended to connect blood donors across India with recipients in an expeditious manner by utilizing the wide reach of the Internet.
- BharatEyeBank.org is a website that aims to create awareness on eye donation and provides members with the opportunity to pledge for donation of their eyes online.
- BharatGreenHands.org is an initiative to restore environmental damage in association with Project Green Hands, an ecological initiative of Isha Foundation. The objective of the initiative is to plant more trees to strike a balance between urbanization and maintaining the ecological systems.
- AbilityMatrimony.com is a free matrimony service exclusively created for people with special needs and those wanting to marry them. The aim of AbilityMatrimony.com is to connect its differently-abled members on a common platform, as part of our mission to facilitate marriages for all cross-sections of society. We believe that by having an exclusive free service for people with special needs, more people will join and avail themselves of such services.

Insurance

We maintain insurance policies for our physical assets and our employees as required by applicable laws and regulations. We currently insure electronic equipment and other devices at our offices and retail centers, petty cash and collection cash through master policies that encompass insurance for fire and special perils, terrorism, burglary, electronic equipment, all risks, machinery breakdown, baggage, cash in safe and cash in transit. We also maintain commercial liability insurance, professional indemnity – technology insurance, general medi-claim insurance and group personal accident insurance for our employees, and directors' and officers' liability insurance.

Properties

Our registered and corporate office is located at No. 94, TVHBelicia Towers, 10th Floor, Tower 2, MRC Nagar, Mandaveli, Chennai-600028, Tamil Nadu, India on leased premises. This office houses the corporate headquarters, general administration, human resources, sales and service, finance and accounting department. In addition, we also

propose to acquire certain additional premises in Chennai. For further details, see the section titled “*Objects of the Offer*” on page 108.

As of March 31, 2015, we had 193 retail centers across India (including premises in New Delhi, Chennai and Kolkata) which are occupied by us pursuant to lease agreements or leave and license arrangements. The leases are typically for a five-year term. As of March 31, 2015, we also had service delivery centers spread across India (including in New Delhi, Bangalore and Hyderabad) which are occupied by us either on leave and license arrangements or pursuant to lease agreements. The lease agreements for the retail and office premises typically provide for 15.00% increase on the then prevailing rent after three years have elapsed. In addition, we have marketing offices operated by our subsidiaries in Dubai and New Jersey, each of which is located in premises which are leased. The lease agreement in respect of the New Jersey property is valid for one year commencing May 1, 2014 and may be automatically renewed on a calendar quarterly basis. The lease agreement in respect of the Dubai property is for a term of one year commencing from August 20, 2014.

Intellectual Property

Our intellectual property rights include trademarks and domain names associated with the name “matrimony.com” and our various community, religion-based and other matchmaking portals, some of which we have registered as trademarks or are in the process of applying for trademark protection. We have not made an application to register our logo “matrimony.com”. For further information, please see “*Risk Factors – We may be unable to protect our logos, brand names and other intellectual property rights which are critical to our business.*” We regard our intellectual property as an important factor contributing to our success. We rely on a combination of trademark law, non-competition and confidentiality agreements with certain of our business consultants and business associates to protect our intellectual property rights. We require our employees, in terms of their offer letters, to keep confidential all information relating to our clients, working systems technical know-how, security arrangements and administrative or organization matters of our Company or clients during and after their employment with us. Our employees are generally required to acknowledge that all intellectual property rights such as copyrights, patents, trademarks and secrets developed by them during their employment are our property. For further details, see the section titled “*Government and Other Approvals – Intellectual Property related approvals*” on page 367.

We have registered a number of Internet domain names, including www.matrimony.com, www.bharatmatrimony.com, www.elitematrimony.com, www.communitymatrimony.com, www.assistedmatrimony.com, www.matrimonydirectory.com, www.tambulya.com. We conduct our business under the “BharatMatrimony” brand name and logo, and have registered and applied for various other trademarks relating to matrimony and matrimony-related services in India. For further details, see the section titled “*Government and Other Approvals – Intellectual Property related approvals*” on page 367.

Demerger of Property Business

To streamline our operations and focus on our core business, we undertook a scheme of arrangement and demerger, pursuant to which our property listing and advisory services business was demerged. The scheme of arrangement and demerger was approved by the High Court of Madras on February 15, 2013 and took effect from April 1, 2012.

For further details on the scheme of arrangement and demerger, see “*History and Certain Corporate Matters—Major Events and Milestones—Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets—Scheme of arrangement and demerger between our Company, India Property Online Private Limited and their respective shareholders and creditors*” on page 174.

REGULATIONS AND POLICIES

The following is an overview of the certain sector specific Indian laws and regulations which are relevant to our Company's business. The Consumer Protection Act, tax related statutes and applicable shops and establishment statutes, labour laws and other miscellaneous regulations and statutes apply to us as they do to any other Indian company.

The description of law and regulations set out below are not exhaustive and are only intended to provide general information and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by our Company in compliance with these regulations, see the section titled "Government and Other Approvals" beginning on page 366. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Laws relating to intellectual property

The Trade Marks Act, 1999

In India, trademarks are protected under statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration may be made in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be renewed. The Trademark (Amendment) Act, 2010 has been enacted to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademarks in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

The Patents Act, 1970

The Patents Act, 1970 ("**Patents Act**") governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights ("**TRIPS**"), India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

The Patents Act under Section 39 also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee.

The Copyright Act, 1957

The Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, copyright protection of a work exists for a period of sixty years following the demise of the author.

Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

Information Technology Laws

Information Technology Act, 2000

The Information Technology Act, 2000 (“**IT Act**”) regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, *inter alia*, obscene, offensive materials through electronic means. The Information Technology (Amendment) Act, 2008, which came into force on October 27, 2009, amended the IT Act and *inter alia* gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability.

Under Section 67 of the IT Act, publication or causing publication of lascivious material or material which is likely to corrupt persons, in electronic form, is punishable with imprisonment up to three years and with fine which may extend to ₹ 500,000 on a first conviction, and in the event of a second or subsequent conviction with imprisonment up to five years and also with fine which may extend to ₹ 1 million.

Further, Section 43A provides for a body corporate to pay compensation to the affected person if it fails to protect the sensitive personal data handled, possessed or dealt by it. Pursuant to Section 44 of the IT Act, a person may be imposed with a fine of up to ₹ 0.10 million in case of failure to furnish any document, return or report to the controller or the certifying authority or fails to maintain books or records.

Under Section 69A of the Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource. In April 2011, the Department of Information Technology under the Ministry of Communications & Information Technology, the Government of India notified the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 in respect of Section 43A of the IT Act (the “**Personal Data Protection Rules**”) and the Information Technology (Intermediaries guidelines) Rules, 2011 in respect of Section 79(2) of the IT Act (the “**Intermediaries Rules**”). The Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it. Further, the Department of Personnel and Training under the Ministry of Personnel, Public Grievances and Pensions, the Government of India has proposed to introduce a new legal framework that would balance national interest with concerns of privacy, data protection and security.

As part of our Company’s operations, we are required to comply with the IT Act and the provisions thereof.

Labour Legislations

Shops and Establishment Acts

Under the provisions of local shops and establishments legislations applicable in the States in which establishments are set up, establishments are required to be registered under the respective legislations. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Different states have different penalties prescribed for contraventions of their respective legislations.

In addition to the shops and establishment legislations, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws applicable to the business and operations of Indian companies:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Maternity Benefit Act, 1961;
- Industrial Disputes Act, 1947 and
- Employees' Compensation Act, 1923.

In addition, there may be certain state specific labour laws which also need to be complied with by Indian companies.

Other miscellaneous legislations

Consumer Protection Act, 1986

Consumer Protection Act, 1986 (“**Consumer Protection Act**”) came into effect on December 24, 1986. The Consumer Protection Act reinforces the interest and rights of consumers by laying down a mechanism for speedy grievance redressal. Any person to whom goods were delivered/intended to be delivered or services were rendered/intended to be rendered, or a recognized consumer association, or numerous consumers having the same interest, or the Central/State Government may lodge a complaint before the district forum or any other appropriate forum under the Consumer Protection Act, *inter alia*, for:

- a. an unfair trade practice or a restrictive trade practice has been adopted by a service provider;
- b. the services availed or agreed to be availed suffer from any deficiency in any material aspect; and
- c. provision of services which are hazardous or likely to be hazardous to life and safety of the public when used are offered by the service provider which such person could have known with due diligence to be injurious to life and safety.

When a person against whom a complaint is made fails to or omits to comply with any order made by the forum/commission, such person shall be punishable with imprisonment for a term of not less than a month, but not exceeding three years, or a fine of not less than two thousand rupees, but not more than ten thousand rupees, or both.

In addition to the above, our Company is required to comply with the provisions of the Companies Act, 1956, to the extent applicable, the Companies Act, 2013, FEMA, the Competition Act, 2002, different state legislations, various tax related legislations including in relation to payment of service tax and other applicable statutes for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated as “Matrimony Services.com Private Limited”, a private limited company under the Companies Act, 1956 on July 13, 2001 at Chennai, Tamil Nadu. The name of our Company was subsequently changed to “Bharatmatrimony.com Private Limited” pursuant to a resolution passed by the shareholders of our Company on December 5, 2003, to reflect the main brand of our Company. The fresh certificate of incorporation consequent to change of name was issued by the RoC on December 15, 2003. The name of our Company was further changed to “Consim Info Private Limited” pursuant to a special resolution of the shareholders of our Company dated August 30, 2007 to expand and diversify the business of our Company to include other consumer services over the internet and mobile. Pursuant to the name change, a fresh certificate of incorporation was issued by the RoC on September 27, 2007. Subsequently, the name of our Company was changed to “Matrimony.com Private Limited” pursuant to a special resolution of the shareholders of our Company dated July 27, 2012 to align the name of our Company to the business carried out by our Company and a fresh certificate of incorporation was issued by the RoC on August 17, 2012. Subsequently, upon conversion to a public company pursuant to a special resolution of the shareholders of our Company dated December 2, 2014 the name of our Company was changed to Matrimony.com Limited and a fresh certificate of incorporation was issued by the RoC on January 2, 2015.

Our Main Objects

The main objects of our Company as contained in Clause iii.A of our Memorandum of Association is to provide matrimonial services and all marriage related activities and services through both online, offline channels and also through electronic, print, wireless, mobile devices and other media, and carry on other incidental marriage related activities including various other Internet based matrimony related businesses such as selling or facilitating the sale of various matrimony related merchandise and/or services through online or offline medium and or provide various types of online related services by designing appropriate sites, servicing them and hosting the website or websites for the above purpose; to carry out research activities, investigations, surveys, studies and analysis in relation to matrimony and matrimony related information and services; to collect, collate, analyze and provide data, information, statistics, data bases, trends and other information related to matrimony and matrimony related requirements and services; to render consultancy services in relation to the above; to act as agents for various newspapers and periodicals and for providing all marriage related information; to advice, plan, facilitate or organize the various wedding ceremonies for its customers; and to provide counselling, advice on grooming, fashion and beauty, bridal decoration, bridal dressing, and personal life.

The main object clause and objects incidental or ancillary to the main objects of the Memorandum and Articles of Association enables our Company to undertake its existing activities.

Amendments to our Memorandum of Association

Since the incorporation of our Company the following changes have been made to our Memorandum of Association:

Date of change/ shareholders’ resolution	Nature of amendment
December 5, 2003	The initial authorised share capital of ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each was increased to ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each. The name of our Company was changed from ‘Matrimony Services.com Private Limited’ to ‘Bharatmatrimony.com Private Limited’.
December 19, 2005	The main objects clause iii(A)(1) of our Company was amended to: <i>“To provide matrimonial services and all marriage related activities and services both online offline, through electronic, print, wireless, mobile devices and other media, and other incidental marriage related activities and to act as agent for various newspapers and periodicals and for providing all marriage related information and to provide counselling or advise on various aspects of grooming, fashion and beauty, bridal decoration, bridal dressing and personal life.”</i>

Date of change/ shareholders' resolution	Nature of amendment
	The following main objects clauses iii(A)(2)(3) and (4) were inserted: 2. <i>To carry on various other internet related online businesses like jobs, property, automobile, classifieds, selling various merchandise and/or services through internet/online medium or facilitate sales of various merchandise and/or services and or provide various types of online related services by designing appropriate sites, servicing them and hosting the Website or Websites, make market web enable software or services, and to start website or websites, merchandise the website in one or different names; to host license in any name or names to be the licensee of different website, web related products or internet related activities in accordance with the digital, technological up gradation and to execute e-commerce, e-logic, e-solutions, business of internet service, Electronic mail service, Facsimile services, content marketing efficiency model, content and event aggregation for online medium and or mobile applications, providing content for value added services in mobile telephones and or other communication systems, value chain integration, Transaction processing PC way and SVWs AV format for predominant sound used in the website or web enable software or to arrange a platform for others to conduct that business through our website or websites by linking web server to other servers or World Wide Web through various means of linking whether in India or elsewhere in the world.</i> 3. <i>To set up facilities in India or elsewhere to develop, process, implement, maintain, buy, sell, import, export or otherwise deal in all kinds of Computers and Computing systems including software systems, network, internet, multimedia for all applications industrial, non-industrial, commercial and education; and to provide services to customers who are enrolling seeking various services provided by the company by using one or all of the above.</i> 4. <i>To set up Research and Development facility to develop commercial assignment innovations and findings in the area of Information Technology, to make necessary arrangements for back-up services, to render consultancy services in various application or web based technologies including Human resources development and recruitment and to impart training in all aspects of information technology and computer systems and knowledge.</i> Other objects clauses iii (C) (15), (16) and (17) of our Company were inserted: 15. <i>To buy, manufacture and sell, import and export all kinds of wooden and steel articles, gift articles, decorative, and other consumables and all kinds of articles necessary for performing marriages.</i> 16. <i>To provide all martial legal, beauty, sex and psychiatric counselling and consulting.</i> 17. <i>To provide, make or produce television serial, cinema, cultural shows and other related business or activities to promote matrimonial services and other incidental activities.</i>
June 16, 2006	The authorized share capital of our Company was altered by way of subdivision to ₹5,000,000 divided into 5,000,000 equity shares of ₹ 1.00 each, whereby one equity share of ₹10.00 each was sub-divided into ten equity shares of ₹ 1.00 each.
July 27, 2006	The authorised share capital of ₹ 5,000,000 divided into 5,000,000 equity shares of ₹ 1.00 each was increased to ₹ 5,400,000 divided into 5,000,000 equity shares of ₹ 1.00 each and 400,000 preference shares of ₹ 1.00 each.
August 30, 2007	The name of our Company was changed from 'Bharamatrimony.com Private Limited' to 'Consim Info Private Limited'.
January 7, 2012	The authorised share capital of ₹ 5,400,000 divided into 5,000,000 equity shares of ₹ 1.00 each and 400,000 preference shares of ₹ 1.00 each was increased to ₹ 141,000,000 divided into 120,000,000 equity shares of ₹ 1.00 each and 21,00,000 preference shares of ₹ 1.00 each.
January 23, 2012	The authorized share capital of our Company was altered by way of consolidation to ₹ 141,000,000 divided into 40,000,000 equity shares of ₹ 3.00 each and 7,000,000 preference shares of ₹ 3.00 each, whereby three equity shares of ₹ 1.00 each were consolidated into one equity share of ₹ 3.00 each and three preference shares of ₹ 1.00 each were consolidated into one preference share of ₹ 3.00 each.
July 27, 2012	The name of our Company was changed from 'Consim Info Private Limited' to 'Matrimony.com Private Limited'.

Date of change/ shareholders' resolution	Nature of amendment
	The main objects clause iii(A)(1) of our Company was amended to: <i>“To provide matrimonial services and all marriage related activities and services through both online, offline channels and also through electronic, print, wireless, mobile devices and other media, and carry on other incidental marriage related activities including various other internet based matrimony related businesses such as selling or facilitating sale of various matrimony related merchandise and/or services through online or offline medium and or provide various types of online related services by designing appropriate sites, servicing them and hosting the website or website for the above purpose; to carry out research activities, investigations, surveys, studies and analysis in relation to matrimony and matrimony related information and services; to collect, collate, analyze and provide data, information, statistic, data bases, trends and other information related to matrimony and matrimony related requirement and services; to render consultancy services in relation to the above; to act as agents for various newspapers and periodicals and for providing all marriage related information; to advice, plan, facilitate or organize the various wedding ceremonies for its customers; and to provide counselling, advice on grooming, fashion and beauty, bridal decoration, bridal dressing, and personal life.”</i> The main objects clauses iii(A)(2)(3) and (4) were deleted
December 2, 2014	The MoA was replaced in its entirety for compliance with the provisions of the Companies Act, 2013 and the rules thereunder. The name of our Company was changed from ‘Matrimony.com Private Limited’ to ‘Matrimony.com Limited’.
December 31, 2014	The authorised share capital of ₹ 141,000,000 divided into 4,00,00,000 equity shares of ₹ 3.00 each and 7,000,000 preference shares of ₹ 3.00 each was increased to ₹ 201,000,000 divided into 60,000,000 equity shares of ₹ 3.00 each and 7,000,000 preference shares of ₹ 3.00 each.
August 5, 2015	The authorized share capital of our Company was altered by way of consolidation to ₹ 201,000,000 divided into 36,000,000 Equity Shares and 4,200,000 Preference Shares whereby five equity shares of ₹ 3.00 each were consolidated into three equity shares of ₹ 5.00 each and five preference shares of ₹ 3.00 each were consolidated into three preference shares of ₹ 5.00 each.

Total Number of Shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has 29 holders of Equity Shares and two holders of the Investor CCPS. For further details on the shareholding of our Company, see “*Capital Structure*” at page 85.

Changes in the Registered Office of our Company

The details of the change in the registered office of our Company since incorporation are as below:

Effective Date	Details of change	Reason for change
October 1, 2001	The registered office of our Company was changed from 39C/7 (New No. 273) Village Street, Sathuma Nagar, Chennai 600 019, Tamil Nadu to No. 306, Prince Centre, III Floor, 709 & 710, Anna Salai, Pathari Road, Chennai 600 006, Tamil Nadu.	To enable greater administrative convenience
July 15, 2002	The registered office of our Company was changed from No. 306, Prince Centre, III Floor, 709 & 710, Anna Salai, Pathari Road, Chennai 600 006, Tamil Nadu to 301, Prince Centre, 709 & 710, Anna Salai, Pathari Road, Chennai 600 006, Tamil Nadu.	To enable greater administrative convenience
January 20, 2009	The registered office of our Company was changed from 301, Prince Centre, 709 & 710, Anna Salai, Pathari Road, Chennai 600 006, Tamil Nadu to TVH Beliciaa Towers, Tower II, 10 th Floor, No.94, MRC Nagar, Mandaveli, Chennai 600 028, Tamil Nadu.	To enable greater administrative convenience

Awards and Accreditations

Year	Accreditations
2015	Special jury mention for gender sensitivity (2013-2014) received for a TVC (Bharat Matrimony-Career) at the National Laadli Media and Advertising Awards

Year	Accreditations
	Certificate of excellence received from NASSCOM for 'Innovative Application of Analytics for Business Solution, 2015
2014	Awarded ISO 9001:2008 by Lloyd's Register Quality Assurance Limited
	Bharatmatrimony.com awarded 'India's most trusted online matrimony' by Trust Research Advisory
	'Most used matrimonial search websites' in the year 2013-14 by Juxt consult
2013	'Best 'PE / VC backed Consumer Internet Company' by VC Circle
	Honoree 2013 awarded to matrimony.com by Paul Writer for being one of the 50 hot brands in 2013
2011	'Best Indian Community Website' awarded by NDTV-Hindu Lifestyle
2010	Brand Leadership Award at the 9 th Indira Awards for marketing excellence
2009	Red Herring 100 Global Winner
2008	Recognised as one of the fastest growing technology companies in the Technology Fast 50 India 2008 program conducted by Deloitte Touche Tohmatsu, Asia Pacific.
	Certificate awarded by PC World India to Bharatmatrimony.com for excellence in technology usage in the matrimonial category.
2007	Featured in the Limca Book of Records, for record number of documented marriages online.

Major Events and Milestones

The table below sets forth some of the major events in the history of our Company:

S No.	Calendar Year	Details
1.	2002	Launched 'Mega Swayamvaram', the then largest matrimony meet in the world
2.	2006	Received funding from Canaan VII Mauritius, Overture Services Europe BV, Draper Investment Company LLC and Hartenbaum Revocable Trust U/A/D 02/03/06
3.	2008	- Received funding from Mayfield XII, Mauritius, Canaan VII Mauritius, Overture Services Europe BV, Draper Investment Company LLC and Hartenbaum Revocable Trust U/A/D 02/03/06 - Launched "Elite Matrimony", an exclusive match making services for premium customers
4.	2009	Launched "Community Matrimony"
5.	2010	Launched "Assisted Matrimony"
6.	2011	"Bharatmatrimony" made available on iPhone, iPad, Android, Blackberry, Nokia devices. - Received third round of funding from Canaan VII Mauritius and Mayfield XII, Mauritius. - Yahoo! Netherlands BV (formerly Overture Services Europe BV) sold its investment in our Company to Bessemer India Capital Holdings II Ltd., Mayfield XII Mauritius and Canaan VII Mauritius.
7.	2012	Featured in Guinness Book of Records for largest photo album
8.	2013	Demerger of property advisory and marketing business of the Company
9.	2015	- Launched an online marketplace for bulk ordering of gifts under the brand name 'Tambulya' - Canaan VII Mauritius sold its investment in the company and same was taken up by CMDB II.

Strike and lock-outs

We have not experienced any strikes, lock-outs or labour unrest in the past.

Time/cost overruns

Our Company has not experienced time and cost overruns in relation to the projects executed by us.

Changes in activities of our Company during the last five years

Except the demerger of the property advisory and marketing business of the Company, there have been no changes in the activities of our Company during the last five years from the date of this Draft Red Herring Prospectus, which may have had a material effect on our profits or losses, including discontinuance of any lines of business, loss of agencies or markets and similar factors.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by our Company.

There have been no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company.

Capital raising (Equity/ Debt)

Our equity issuances in the past and availing of debts as on July 31, 2015, have been provided in “*Capital Structure*” and “*Financial Indebtedness*” on pages 85 and 345, respectively. Further, our Company has not undertaken any public offering of debt instruments since its inception.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets

Scheme of arrangement and demerger between our Company, India Property Online Private Limited and their respective shareholders and creditors

Pursuant to the resolution dated August 22, 2012, our Board approved a scheme of arrangement and demerger under Sections 391-394 read with Sections 100-104 of the Companies Act, 1956 (the “**Demerger Scheme**”) between our Company and India Property Online Private Limited (“**IPOPL**”), which was a wholly-owned subsidiary of our Company. The High Court of Madras by an order dated February 15, 2013 sanctioned the Demerger Scheme. Pursuant to the Demerger Scheme, the property marketing and advisory business of our Company, including all assets, liabilities and immoveable property (“**Property Marketing and Advisory Business**”) were transferred to IPOPL with effect from April 1, 2012 (the “**Appointed Date**”).

The Demerger Scheme became effective on the later of the dates on which the certified copies of the High Court Order were filed with the Registrar of Companies, Tamil Nadu by our Company and IPOPL, i.e., March 1, 2013.

The Demerger Scheme, *inter-alia*, provided for (i) the manner of transfer and vesting of the Property Marketing and Advisory Business, (ii) the enforcement of contracts and other instruments of whatsoever nature in relation to the Property Marketing and Advisory Business to which our Company is a party, against IPOPL as though IPOPL had been a party to such contracts and instruments, (iii) the transfer of all legal and other proceedings initiated by or against our Company to the name of IPOPL and (iv) the transfer of all employees of our Company in relation to the Property Marketing and Advisory Business to IPOPL.

Pursuant to the Demerger Scheme, the equity shares held by our Company and our Promoter in IPOPL were cancelled on March 1, 2013. As consideration for the transfer of the Property Marketing and Advisory Business, in terms of the Demerger Scheme, the equity and preference shareholders of our Company, including our Promoter, were allotted 4,232,297 equity shares of ₹ 1.00 each of IPOPL on March 1, 2013 in the same proportion in which they held shares in our Company.

Business and Management

For details of our Company’s corporate profile, business, services, products, marketing, the description of its activities, products, market segment, the growth of our Company, exports and profits due to foreign operations together with the country-wise analysis, standing of our Company in relation to prominent competitors with reference to our services, products, technology, market, capacity built up, major suppliers, major customers and geographical segment, see the sections titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company*” at page 149 and 323, respectively.

For details of the management of our Company and its managerial competence, see the section titled “*Our Management*” at page 170.

Injunctions or Restraining Order against our Company

Except as disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 346, there are no injunctions or restraining orders against our Company.

Material Agreements

Share Purchase and Shareholders’ Agreements

Amended and Restated Shareholders’ Agreement dated September 28, 2011 and supplemental agreement dated January 7, 2012 among the Company, Murugavel Janakiraman, Indrani Janakiraman, Mayfield XII, Mauritius (“Mayfield”), Canaan VII Mauritius (“Canaan”), Draper Investment Company, LLC (“Draper”), The Hartenbaum Revocable Trust U/A/D 02/03/2006 (“Hartenbaum”) and Bessemer India Capital Holdings II Ltd. (“Bessemer”) (together, the “Investors”)

The Company issued and allotted Canaan, Draper, Hartenbaum and Yahoo! Netherlands BV (formerly Overture Services Europe BV) (“**Yahoo**”) (“**Series A Investors**”) 217,070 series A optionally convertible redeemable preference shares (“**Series A Preferred Shares**”), pursuant to the series A share subscription agreement dated July 20, 2006. The Company issued and allotted Mayfield, Canaan, Draper, Hartenbaum and Yahoo (“**Series B Investors**”) 97,917 series B compulsorily convertible preference shares (“**Series B Preferred Shares**”), pursuant to the series B share subscription agreement dated January 16, 2008. The Company further issued and allotted Mayfield and Canaan (“**Series C Investors**”) 16,338 series C compulsorily convertible cumulative preference shares (“**Series C Preferred Shares**”), pursuant to the series C share subscription agreement dated March 25, 2011 and pursuant to such share subscription agreement, the Company, Murugavel Janakiraman, Indrani Janakiraman, Mayfield, Canaan, Draper and Hartenbaum entered into a shareholders’ agreement dated March 25, 2011 (“**Series C Shareholders Agreement**”).

Pursuant to a stock purchase agreement dated September 12, 2011 between the Company, Yahoo, Mayfield, Canaan and Bessemer, details of which have been described below, Yahoo has sold and each of Mayfield, Canaan and Bessemer have purchased equity shares issued upon conversion of certain Series A Preferred Shares (“**New Equity Shares**”) and the Series B Preferred Shares.

Stock Purchase Agreement dated September 12, 2011 (“SPA”) among Bessemer, Canaan and Mayfield (the “Consim Purchasers”, and together with Xplorer Capital Mauritius I, Xplorer Capital Mauritius II, the “Purchasers”), Yahoo (the “Seller”), the Company and Xplorer Pathfinder, LLC

Pursuant to the SPA and the amendment agreement to the SPA dated September 28, 2011, the Seller has sold an aggregate of 87,832 duly converted Series A Preferred Shares and an aggregate of 11,962 Series B preference shares, to the Consim Purchasers at a price of \$173.86 per share for an aggregate purchase price of \$17,350,000. Upon transfer of these shares, all rights held by the Seller under the Series C Shareholders Agreement and the MoA and AoA of the Company were *pro rata* available to each of the Consim Purchasers. Further, Bessemer was transferred the exclusive right to exercise the Sellers’s rights under the provisions of the Series C Shareholders Agreement, including the right to appoint or replace the Seller’s director on the Board of the Company. The applicable deed of adherence in this regard was executed by the Consim Purchasers and the Seller. The SPA is governed by and construed in accordance with the laws of the state of California, USA.

Our Company, Murugavel Janakiraman, Indrani Janakiraman and the Investors entered into the shareholders’ agreement dated September 28, 2011 (“**Shareholders’ Agreement**”) which has superseded and restated the Series C Shareholders Agreement.

The salient features of special rights contained in the Shareholders’ Agreement are summarised herein below:

IPO Demand Rights: After December 31, 2010, Mayfield, Canaan and Bessemer (“**Majority Investors**”) have the right to require the Company to conduct an initial public offering in India (“**IPO**”) and a secondary offer for sale up to the entire amount of the equity shareholding of such Majority Investor. The IPO is required to be consummated within a period of 180 days from the date of approval by the Board. Each of the Investors has the right to include all or part of their respective shareholding in the IPO through an offer for sale on the same terms and conditions as the Equity Shares of the Company.

After the first anniversary of the IPO, in the event the Investors are restricted from selling the Investor Shares in India, the Majority Investors may require the Company to conduct a secondary sponsored offering of ADRs or GDRs against such number of Equity Shares tendered by them.

Investor Shares Buyback Option: After three years from the date of issue of the Series A Preferred Shares, Series B Preferred Shares, Series C Preferred Shares (the “**Investor Preferred Shares**”) and the New Equity Shares (together with the Investor Preferred Shares, the “**Investor Shares**”) any of the Majority Investors, may independently require the Company to offer to buy back all or any number of such shares held by them in three equal instalments at certain designated dates.

Dividend Rights: The Investors are entitled to receive dividends on their Investor Preferred Shares on a share-for-share basis with the holders of Equity Shares, when declared by the Company.

Liquidation Rights: Pursuant to redistribution, among the shareholders of the Company, out of the assets or surplus funds of the Company or out of the proceeds received pursuant to a change in control in the Company, the holders of the Investor Shares are entitled to receive an amount for each Investor equal to the sum of 1.5 times the original issuance price for the respective Investor Shares. They are also entitled to receive any declared but unpaid dividends on such Investor Shares.

Conversion: Each of the Investor Preferred Shares are convertible at any time after the date of their issuance into such number of fully paid Equity Shares, as determined by the formula prescribed in the Shareholders’ Agreement. Each of the Investor Preferred Shares will be automatically converted into Equity Shares at the prescribed conversion prices in effect at the time, immediately upon earlier of (i) the latest date on which the Investor Preferred Shares are required to be converted into Equity Shares as per applicable laws in connection with an IPO or a global offering at a price equal to or exceeding 1.5 times the original conversion price of the Series C Preferred Shares and in which offering the aggregate proceeds to the Company are not less than \$40,000,000, or (ii) the date specified by the holders of the outstanding Investor Preferred Shares. Further, the Series B Preferred Shares and the Series C Preferred Shares shall automatically convert into Equity Shares on the 20th anniversary of the date of their respective issue and allotment.

Voting Rights: The Investors have voting rights and powers *pari passu* with the holders of Equity Shares. In the event such voting rights becomes unenforceable under applicable laws and upon conversion of the Company from a private company to a public company, Murugavel Janakiraman and Indrani Janakiraman will be required to vote in accordance with the instructions of the Investors at a general meeting, in respect of the number of Equity Shares held by them.

Pre-emptive Rights: Each Investor is granted the pre-emptive right to purchase its pro rata share of the capital of the Company and securities which are or may become exercisable or convertible into capital, not including *inter alia* the equity shares issued pursuant to the IPO or issued as a dividend or distribution on Investor Shares or issued pursuant to any of the subscription agreements. Each Investor shall also have a right of over-allotment in the event any Investor fails to exercise such prescribed right, and may purchase the non-purchasing Investor’s portion on a pro rata basis.

Board Matters: Each Majority Investor has the right to appoint one Investor director on at least one of the Compensation Committee or the Audit Committee.

Right of Refusal for Promoter Offered Shares and Investor Shares: Each of the Majority Investors has the right to purchase all or any of the Equity Shares offered by the Promoter(s) for sale for a period of 30 days after receipt of the transfer notice to this effect. The Majority Investors also have the right to purchase the remainder Equity Shares of the Promoter, if any, up to their full pro rata entitlement. Further, each of the Majority Investors has the right to purchase all or any of the shares offered for sale by the other Investors for a period of 30 days after receipt of the transfer notice to this effect. Each Majority Investor who does not exercise such right of first refusal, has the right to participate in such sale of the Promoter’s Equity Shares which are not being purchased by the other Majority Investors.

Voting Agreement: Each party to the Shareholders' Agreement will vote all Equity Shares and Investor Preferred Shares in such manner as may be necessary to elect as members of the Board of Directors, three Majority Investor directors, three Promoter directors and one independent director in the manner prescribed in the Shareholders' Agreement. The parties to the Shareholders' Agreement have agreed to maintain the authorised number of members of the Board of Directors at seven.

Investor Protective Provisions:

- Without first having received approval of Mayfield and Canaan (so long as any of them hold at least 3% of the share capital of the Company on a fully diluted basis), neither the Company nor any shareholder shall approve or take any actions or matters including amendments to corporate documents, change in control, merger, acquisitions, reconstitution and consolidation of the business of the Company and/or its Subsidiaries, creation, issuance, decrease or alteration of any capital stock, any third party purchases, any transfer of assets, change in the Board of Directors, approval of annual accounts and remuneration and compensation paid to the Board of Directors.
- Without first having received approval of Mayfield, Canaan and Bessemer (so long as both of them hold at least 3% of the share capital of the Company on a fully diluted basis), neither the Company nor any shareholder shall approve or take any actions or matters including change to the Investor Shares, change in the Company's business, declaration of dividends, buy backs, entering into loans, related party transactions and the creation of any liens.

Agreement dated December 17, 2014 between our Company, Murugavel Janakiraman, Indrani Janakiraman and the Investors ("Amendment Agreement")

Our Company, Murugavel Janakiraman, Indrani Janakiraman and the Investors have executed an amendment agreement dated December 17, 2014 pursuant to which the Shareholders' Agreement will be terminated on and from the date of listing of Equity Shares on a recognised stock exchange pursuant to the Offer. In terms of the Amendment Agreement, the Investors have agreed to waive certain of their rights under the Shareholders' Agreement including those in relation to restrictions on transfer and right of first refusal. Further, if the Offer is not completed prior to December 31, 2015 or if the Board decides not to undertake the Offer, the Shareholders' Agreement shall continue and the Amendment Agreement shall be terminated, Part II of the Articles shall continue to remain in force and the Company will be converted into a private limited company.

Deed of adherence dated March 19, 2015 between our Company, Murugavel Janakiraman, Indrani Janakiraman, CMDB II and the Investors ("Deed of Adherence")

Pursuant to the transfer of the entire shareholding of Canaan in our Company to CMDB II, the Deed of Adherence was entered into between our Company, Murugavel Janakiraman, Indrani Janakiraman and the Investors with CMDB II. As per the terms of the Deed of Adherence, CMDB II was made a party to the Shareholders Agreement and Amendment Agreement and is bound by all the rights, duties and obligations as applicable to the Investors under the Shareholders Agreement and the Amendment Agreement.

Other Agreements

As of the date of this Draft Red Herring Prospectus, our Company is not a party to any material agreements which have not been entered into in the ordinary course of business.

Holding Company

Our Company does not have a holding company.

Subsidiaries of our Company

Currently, our Company has the following six subsidiaries.

1. Community Matrimony Private Limited;
2. Sys India Private Limited;
3. Matchify Services Private Limited;
4. Tambulya Online Marketplace Private Limited;
5. Consim Info USA. Inc; and
6. BharatMatrimony LLC

The details of our Subsidiaries are as follows:

1. Community Matrimony Private Limited (“CMPL”)

CMPL was incorporated under the Companies Act, 1956 on July 7, 2009. Its registered office is situated at Arihant E-Park, 6th Floor, No. 117/1 Lattice Bridge Road, Adyar, Chennai 600 020, Tamil Nadu, and its CIN is U74999TN2009PTC072210. CMPL is engaged in, *inter alia*, the business of providing online and off-line advertising services for a matrimonial related products.

Capital structure

Authorised share capital
1,000,000 equity shares of ₹ 1.00 each aggregating to ₹ 1,000,000
Issued, subscribed and paid up share capital
100,000 equity shares of ₹ 1.00 each aggregating to ₹ 100,000

Shareholding pattern

The shareholding pattern of CMPL as on the date of the Draft Red Herring Prospectus is as follows:

Name of shareholder	No. of equity shares	% of total equity holding
Matrimony.com Limited	99,999	99.99
Murugavel Janakiraman	1	0.01
Total	100,000	100.00

CMPL has not made any public or rights issue in the last three years and has not become a sick company as specified under SICA and is not under winding up proceedings.

There are no accumulated profits or losses of CMPL not accounted for by our Company.

2. Sys India Private Limited (“SIPL”)

SIPL was incorporated under the Companies Act, 1956 on May 18, 2010. Its registered office is situated at Tower 2, 10th Floor, No 94, TVH Beliciaa Towers, MRC Nagar, Chennai 600 028, Tamil Nadu, and its CIN is U74300TCN2010PTC075740. SIPL is engaged in, *inter alia*, the business of advertising or as publicity agents, sub-agents, contractors and for that purpose to purchase and sell advertising time or space in India or abroad.

Capital structure

Authorised
500,000 equity shares of ₹ 1.00 each aggregating to ₹ 500,000
Issued, subscribed and paid up share capital
100,000 equity shares of ₹ 1.00 each aggregating to ₹ 100,000

Shareholding pattern

The shareholding pattern of SIPL as on the date of the Draft Red Herring Prospectus is as follows:

Name of shareholder	No. of equity shares	% of total equity holding
Matrimony.com Limited	99,900	99.99

Name of shareholder	No. of equity shares	% of total equity holding
Murugavel Janakiraman (as a nominee shareholder on behalf of our Company)	100	0.01
Total	100,000	100.00

SIPL has not made any public or rights issue in the last three years and has not become a sick company as specified under SICA and is not under winding up proceedings.

There are no accumulated profits or losses of SIPL not accounted for by our Company.

3. Matchify Services Private Limited (“Matchify”)

Matchify was incorporated under the Companies Act, 2013 on November 12, 2014 as Matchify.in Private Limited. The name of the company was subsequently changed to Matchify Services Private Limited on December 29, 2014. Its registered office is situated at TVH Beliciaa Towers, Tower II, 10th Floor, No. 94, MRC Nagar, Mandaveli, Chennai - 600028 and its CIN is U74900TN2014PTC097993. Matchify is engaged in, *inter alia*, the business of providing match making related services through mobile applications and internet platform.

Capital structure

Authorised
1,200,000 equity shares of ₹ 10.00 each aggregating to ₹ 12,000,000
Issued, subscribed and paid up share capital
964,500 equity shares of ₹ 10.00 each aggregating to ₹ 9,645,000

Shareholding pattern

The shareholding pattern of Matchify as on the date of the Draft Red Herring Prospectus is as follows:

Name of shareholder	No. of equity shares	% of total equity holding
Matrimony.com Limited	964,499	99.99
Murugavel Janakiraman	1	0.01
Total	964,500	100.00

Matchify has not made any public or rights issue in the last three years and has not become a sick company as specified under SICA and is not under winding up proceedings.

There are no accumulated profits or losses of Matchify not accounted for by our Company.

4. Tambulya Online Marketplace Private Limited (“TOMPL”)

TOMPL was incorporated under the Companies Act, 2013 on January 22, 2015. Its registered office is situated at TVH Beliciaa Towers, Tower II, 10th floor, No. 94, MRC Nagar, Mandaveli, Chennai – 600 028 and its CIN is U74999TN2015PTC098929. TOMPL is engaged in, *inter alia*, the business of providing a platform, technology and/or other mechanisms/services through websites for buying, selling, marketing, importing, exporting and trading in gift items on a bulk basis.

Capital structure

Authorised share capital
1,200,000 equity shares of ₹10.00 each aggregating to ₹ 12,000,000
Issued, subscribed and paid up share capital
1,010,000 equity shares of ₹10.00 each aggregating to ₹10,100,000

Shareholding pattern

The shareholding pattern of TOMPL as on the date of the Draft Red Herring Prospectus is as follows:

Name of shareholder	No. of equity shares	% of total equity holding
Matrimony.com Limited	1,009,999	99.99
Murugavel Janakiraman	1	0.01
Total	1,010,000	100.00

TOMPL has not made any public or rights issue in the last three years and has not become a sick company as specified under SICA and is not under winding up proceedings.

There are no accumulated profits or losses of TOMPL not accounted for by our Company.

5. Consim Info USA, Inc (“Consim Info”)

Consim Info was incorporated under the New Jersey State Law on May 19, 2010. Its registered office is situated at 220 Davidson Ave, Suite 315, Somerset, New Jersey 08873 and its company registration number is 0400349816. Consim Info is engaged in, *inter alia*, the business of agency services in relation to business and marketing.

Capital structure

Authorised
1,500 equity shares of USD 1.00 each aggregating to 1,500 USD
Issued, subscribed and paid up share capital
1,000 equity shares of USD 1.00 each aggregating to 1,000 USD

Shareholding pattern

The shareholding pattern of Consim Info as on the date of the Draft Red Herring Prospectus is as follows:

Name of shareholder	No. of equity shares	% of total equity holding
Matrimony.com Limited	1,000	100.00
Total	1,000	100.00

Consim Info has not made any public or rights issue in the last three years and has not become a sick company as specified under SICA and is not under winding up proceedings.

There are no accumulated profits or losses of Consim Info not accounted for by our Company.

6. BharatMatrimony LLC (“BML”)

BML was incorporated under the laws of UAE on March 27, 2004. Its registered office is situated at M03, NBQ Building, Khalid Bin Al Waleed Street, P.O. Box 46094, Dubai, United Arab Emirates and its company registration number is 12904/01/2004. BML is engaged in, *inter alia*, the business of commercial broking.

Capital structure

Authorised
300 equity shares of 1,000 Dirham each aggregating to 300,000 Dirham
Issued, subscribed and paid up share capital
300 equity shares of 1,000 Dirham each aggregating to 300,000 Dirham

Shareholding pattern

The shareholding pattern of BML as on the date of the Draft Red Herring Prospectus is as follows:

Name of shareholder	No. of equity shares	% of total equity holding
Nada Saeed Khalifa Mohd Al Fuqaei	153	51.00
Matrimony.com Limited	147	49.00

Name of shareholder	No. of equity shares	% of total equity holding
Total	300	100.00

BML has not made any public or rights issue in the last three years and has not become a sick company as specified under SICA and is not under winding up proceedings.

There are no accumulated profits or losses of BML not accounted for by our Company.

Interest of the Subsidiaries in our Company

Our Subsidiaries do not hold any Equity Shares in our Company. For details of the transactions between our Company and the Subsidiaries, see the section titled “*Related Party Transactions*” on page 207.

The Subsidiaries do not have any business interest in our Company, except as disclosed in the sections titled “*Our Business*” and “*Related Party Transactions*” on pages 149 and 207.

Sale of shares of our Subsidiaries

Neither our Promoters, nor the members of our Promoter Group or our Directors or their relatives have sold or purchased securities of our Subsidiaries during the six months preceding the date of this Draft Red Herring Prospectus.

Revenue or Profit or Asset Contribution

None of our Subsidiaries contributed more than 5% of the revenue/profit/assets of our Company on a consolidated basis in the preceding financial year.

Significant Sale/Purchase between Subsidiaries and our Company

Except as disclosed in the section “*Related Party Transactions*” on page 207, none of our Subsidiaries 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.

Common Pursuits

There are no common pursuits between our Company and the Subsidiaries. However, certain of our Subsidiaries are engaged in lines of business that are similar and/or synergistic to our Company.

Strategic and Financial Partnerships

Our Company does not have any strategic or financial partners.

OUR MANAGEMENT

As per the provisions of the Articles of Association, the Board shall comprise of not less than three and not more than fifteen Directors. We currently have eight Directors on the Board out of which there is one executive Director, one non-executive Director, one nominee Director, two additional Directors and three non-executive independent Directors.

The following table sets forth details regarding our Board as of the date of this Draft Red Herring Prospectus:

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships/Partnerships/Proprietorship/HUFs
Chinni Krishnan Ranganathan Designation: Non-executive Chairman and independent Director Address: Plot no.58/5, Door no.5, Dr. Sheshadri Avenue, Injambakkam, Chennai, Tamil Nadu, India 600041 Occupation: Business Nationality: Indian Term: For a period of 5 years with effect from January 27, 2015 DIN: 00550501 Date of appointment: October 17, 2014	55	<i>Other directorships</i> • CavinKare Private Limited • Chinni Investments Private Limited • Chik India Investments Private Limited • Nyle India Investments Private Limited • Kranes India Investments Private Limited • Integra Software Services Private Limited • Cavin Estates Private Limited • Cavin Solai Private Limited • Cavinkare Bangladesh Private Limited <i>Partnerships</i> • Trend Pack <i>Firms and Trusts</i> • Chinni Krishnan Memorial Trust • Sri Jayaram Educational Trust • Annai Anjugam Charitable Trust • Gemini Bird Farm Trust
Murugavel Janakiraman Designation: Managing Director Address: No.154, Meridian Heights, Door no.502, Peters Road, Royapettah, Chennai, Tamil Nadu, India 600014 Occupation: Business Nationality: Indian Term: 3 years with effect from July 1, 2015 DIN: 00605009 Date of appointment: September 5, 2001	45	<i>Other directorships</i> • Community Matrimony Private Limited • Sys India Private Limited • India Property Online Private Limited • Propfinder India Private Limited • Tambulya Online Market Place Private Limited • Matchify Services Private Limited • Consim Info USA Inc, • Infonauts Inc.
Deepa Murugavel Designation: Non-executive Director Address: No.154, Meridian Heights, Door no.502, Peters Road, Royapettah, Chennai, Tamil Nadu, India 600014	37	Nil

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships/Partnerships/Proprietorship/HUFs
Occupation: Business Nationality: Indian Term: Liable to retire by rotation DIN: 00725522 Date of appointment: March 26, 2006		
Nikhil Nirvan Khattau Designation: Nominee non-executive Director Address: Apartment A1/2, Bon Azur Beachfront Suites & Penthouses, Coastal Road, Pointe aux Biches, Mauritius Occupation: Professional Nationality: Indian Term: Liable to retire by rotation DIN: 00017880 Date of appointment: July 21, 2009	52	<i>Other directorships</i> • Marico Limited • Sohanlal Commodity Management Private Limited • North End Food Marketing Private Limited • Securens System Private Limited • India Property Online Private Limited • Marico Kaya Enterprises Limited (amalgamated with Kaya Limited with effect from May 13, 2015) • Kissandhan Agri Financial Services Private Limited • Kaya Limited • Aunevik Holdings • JoGuru, Inc. • Mayfield India I Management (UGP), Limited • Mayfield India II Management, Limited • Mayfield India II, Limited • Mayfield Mauritius, Limited <i>Firms and Trusts</i> • M F Advisors LLP • Shri Balrajeshwar Temple Trust
Vishal Vijay Gupta Designation: Additional Director* Address: Flat no. 4B, Lavelle Regency, No. 54 Lavelle Road, Bangalore, Karnataka, India 560001 Occupation: Professional Nationality: Indian Term: Liable to retire by rotation DIN: 01913013 Date of appointment: October 17, 2014	37	<i>Other directorships</i> • BVP India Investors Private Limited • Applied Solar Technologies (India) Private Limited • Ind-Barath Power Infrastructure Limited • Indian Energy Exchange Limited • Kiran Energy Solar Power Private Limited • MediAssist Healthcare Services Private Limited • Orient Green Power Company Limited • Anunta Technology Management Services Limited • Hungama.com Private Limited • Nephrocare Health Services Private Limited • Supermarket Grocery Supplies Private Limited • IIM Calcutta Innovation Park <i>HUFs</i> • Vijay Kumar Gupta HUF
Avneet Singh Kochar	39	<i>Other directorships</i>

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships/Partnerships/Proprietorship/HUFs
Designation: Additional Director* Address: 234 AWHO, Piru Puram Ambabari, Jaipur, Rajasthan, India 302012 Occupation: Professional Nationality: Indian Term: Liable to retire by rotation DIN: 02415196 Date of appointment: April 16, 2015		• Channi Hotels Private Limited • Heritage Inn Private Limited • India Property Online Private Limited • MXC Solution India Private Limited - Cartrade.com • Naaptol Online Shopping Private Limited. • Happiest Minds Technologies Private Limited • mCarbon Tech Innovation Private Limited. • Adnear Private Limited
George Zacharias Designation: Non-executive independent Director Address: B-5, Ceebros Mallika Apartments, 34, Pycrofts Garden Road, Chennai, Tamil Nadu, India 600006 Occupation: Professional Nationality: Indian Term: For a period of 5 years with effect from January 27, 2015 DIN: 00162570 Date of appointment: January 18, 2008	56	Nil
Milind Shripad Sarwate Designation: Non-executive independent Director Address: E-201/202, Sita Vihar, Near Damani Estate, L.B.S. Marg, Naupada, Thane, Maharashtra, India 400602 Occupation: Professional Nationality: Indian Term: For a period of 5 years with effect from January 27, 2015 DIN: 00109854 Date of appointment: November 26, 2014	55	<i>Other directorships</i> • Geometric Limited • Eternis Fine Chemicals Limited • International Paper APPM Limited • And Designs India Limited • Halite Personal Care India Private Limited (under liquidation) <i>Firms and Trusts</i> • Increate Value Advisors LLP <i>HUFs</i> • Milind S Sarwate HUF • Shripad G Sarwate HUF

*Appointment to be confirmed at the next AGM

Relationship between the Directors

Except for Deepa Murugavel, who is the wife of Murugavel Janakiraman, none of the Directors are related to each other.

Brief Biographies

Chinni Krishnan Ranganathan, aged 55 years, is a non-executive chairman and independent Director, appointed on October 17, 2014. He holds a bachelor's degree of science from Annamalai University. He is the founder of CavinKare Private Limited.

Murugavel Janakiraman, aged 45 years, is the Promoter and Managing Director of our Company. He has been associated with the Company since September 5, 2001. He holds a bachelor's degree of science in statistics and a master's degree in computer applications from the University of Madras. He was previously employed with Sharper Logics Inc., Supra Data Systems and Real Soft. He has been awarded the 'Vocational Excellence' by the Rotary Club of Madras in 2014 and 'CII Connect' award by the Confederation of Indian Industry in 2011.

Deepa Murugavel, aged 37 years, is a non-executive Director of our Company. She holds a bachelor's degree of science in biochemistry (special) from Gujarat University and a master's degree in business administration from California Coast University. She has also completed a course on training as a laboratory technician from the K.M. School of Post Graduate Medicine and Research, Ahmedabad. She has been associated with our Company since March 26, 2006.

Nikhil Nirvan Khattau, aged 52 years, is a non-executive nominee Director of our Company representing Mayfield XII, Mauritius. He has been associated with our Company since July 21, 2009. He holds a bachelor's degree in commerce from the University of Bombay and is a member of the Institute of Chartered Accountants in England and Wales. He was previously employed with Ernst & Young in U.K and U.S.A and Sun F&C Asset Management (I) Private Limited and is on the board of directors of North End Food Marketing Private Limited, Marico Limited, Kaya Limited and Sohanlal Commodity Management Private Limited. He has over 10 years of experience.

Vishal Vijay Gupta, aged 37 years, is an additional Director, appointed on October 17, 2014 representing Bessemer India Capital Holdings II Limited. He holds a bachelor's degree in commerce from Nagpur University and a post graduate diploma in management from the Indian Institute of Management, Calcutta. He is also an associate of the Institute of Chartered Accountants of India. He is currently a director of BVP India Investors Private Limited, an affiliate of Bessemer Venture Partners.

Avneet Singh Kochar, aged 39 is an additional Director representing CMDDB II. He holds a bachelor degree in commerce from Sri Ram College of Commerce, New Delhi and a master's degree in business administration from the College of William and Mary in Virginia. He is recognised as a chartered financial analyst by the CFA Institute. He is currently the regional adviser to JP Morgan Asset Management Private Equity Group. He has previously worked at AT&T Corp. and AT&T Investment Management Corporation.

George Zacharias, aged 56 years, is a non-executive independent Director of our Company. He holds a bachelor's degree of technology in chemical engineering from Nagpur University. He holds a post graduate diploma in business management from the Xavier Labour Relations Institute, Jamshedpur. He was associated with our Company as a nominee Director of Yahoo! Netherland B.V (formerly Overture Services Europe B.V) from April, 2006 to October, 2007. He was appointed as an independent Director of the Company on January 18, 2008. He was a co-founder and chief executive officer of Sevenstrata IT Services Private Limited and the senior vice president at Mindtree Limited.

Milind Shripad Sarwate, aged 55 years, is a non-executive independent Director of our Company. He holds a bachelor's degree in commerce from the University of Bombay, and is an associate of the Institute of Chartered Accountants of India and a fellow of the Institute of Company Secretaries of India. Further, he is a cost and works accountant certified by the Institute of Costs and Works Accountants of India and participated in the Fulbright CII fellowship for leadership in management program at Carnegie Mellon Graduate School of Industrial Administration, Pittsburgh, U.S.A.

Details of directorship in companies suspended or delisted from any stock exchange

Except as stated below, no Director is or was a director of any listed company during the last five years immediately preceding the date of this Draft Red Herring Prospectus and until date, whose shares have been or were suspended from being traded on BSE or NSE:

Nikhil Nirvan Khattau was a director of Marico Kaya Enterprises Limited, which was suspended from the NSE and the BSE pursuant to a scheme of amalgamation and arrangement with Kaya Limited and their respective shareholders and creditors with effect from May 13, 2015. In this regard, the relevant details are as below:

- Name of the company: Marico Kaya Enterprises Limited
- Listed on: BSE and NSE
- Date of suspension on the Stock Exchanges: May 26, 2015
- Suspended more than three months: Yes/No: Not applicable If yes, reasons for suspension and period of suspension: Not applicable.
- Whether suspension revoked: Yes/No: Not applicable If yes, date of revocation of suspension: Not applicable.
- Term (along with relevant dates) of Director in the above company(ies): August 16, 2013 to May 13, 2015

Further, none of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange(s).

Terms of appointment of the Directors

Except as provided in our Articles of Association and otherwise disclosed in this section, there are no terms of appointment of our Directors.

Payments or benefits to the Directors

Except as disclosed in this Draft Red Herring Prospectus and the reimbursement of expenses incurred in their official capacity and entitlement under loan policy, no amount or benefit in kind has been paid or granted within the two preceding years or given to any of the Directors. Pursuant to a resolution of the Board dated November 26, 2014, the sitting fees payable to our Board of Directors is ₹ 100,000 for attending meetings of the Board and Committees. Provided below are details of sitting fees paid to our non-executive Directors for Fiscal 2015:

Name of Director	Sitting fees paid in Fiscal 2015 (in ₹)
Milind Shripad Sarwate	700,000
George Zacharias	500,000

Executive Directors

Pursuant to a resolution of the Nomination and Remuneration Committee (the erstwhile compensation committee) of the Board, dated June 11, 2014, Murugavel Janakiraman is entitled to a salary of up to ₹ 6.80 million for the financial year 2014-15 and ₹ 2.00 million towards performance based compensation as Chief Executive Officer of our Company. The Nomination and Remuneration Committee also approved provision of a new car as a replacement for the existing car provided to Murugavel Janakiraman. In Fiscal 2015, Murugavel Janakiraman was paid a total remuneration of ₹ 7.97 million.

Pursuant to a shareholders' resolution dated June 25, 2015 and a resolution of the Nomination and Remuneration Committee dated June 25, 2015, Murugavel Janakiraman was appointed Managing Director of our Company for a period of three years with effect from July 1, 2015 and is entitled to a salary of ₹ 10 million per annum in the grade of ₹ 10 million to ₹ 15 million per annum with effect from April 1, 2015 with authority given to the Board or Nomination and Remuneration Committee, to fix the remuneration within the said maximum amount from time to time. Additionally, Murugavel Janakiraman is also entitled to a variable performance pay of upto 150% of the fixed salary per annum subject to the performance criteria laid down by the Board or Nomination and Remuneration Committee.

Murugavel Janakiraman is also entitled to, *inter alia*, the following perquisites:

1. Personal accident insurance in accordance with the policies of our Company;
2. Contribution to provident fund in accordance with the provident fund scheme as amended from time to time of our Company within the overall limit;
3. Gratuity not exceeding half month's salary for each completed year of service within the overall limit;
4. Use of Company car and driver within the overall remuneration fixed; and
5. Phone and communication facilities at residence at actual for the business of the Company.

Non-Executive Directors

Except as stated above, our Company does not pay any compensation or, sitting fees or, remuneration to our non-executive Directors.

The ESOP Scheme is applicable to our Directors, excluding any promoter Director or an employee who is a promoter or belongs to the promoter group, holding directly or indirectly more than 10% of the outstanding Equity Share capital of the Company. For details of Equity Shares allotted to our Directors, please see the section titled "Our Management - Shareholding of Directors" on page 187.

Remuneration paid or payable from subsidiary and associate company

No remuneration has been paid, or is payable, to our Directors by the Subsidiaries or associate companies of our Company during Fiscal 2015.

Benefits upon termination

Except as provided above and other applicable statutory benefits, there are no service contracts entered into with any of the Directors for provision of any other benefits or payments upon termination of employment.

Bonus or profit sharing plan of the Directors

There is no bonus or profit sharing plan for our Directors.

Shareholding of Directors

The shareholding of the Directors in our Company as of the date of this Draft Red Herring Prospectus is set forth below:

Name of Director	Number of Equity Shares held
Murugavel Janakiraman*	11,768,137
Deepa Murugavel	1
George Zacharias	44,676
Milind Shripad Sarwate**	2,670

**The total equity shareholding of Murugavel Janakiraman includes 12 Equity Shares held by him on behalf of the equity shareholders entitled to fractional Equity Shares pursuant to consolidation of equity shares of face value ₹ 3.00 each to equity shares of face value ₹ 5.00 each on August 5, 2015.*

***Held jointly with Madhumita Milind Sarwate*

As per the Articles of Association, our Directors are not required to hold any qualification shares.

Shareholding in subsidiary and associate company

The shareholding of the Directors in our Subsidiaries and Group Entities is set forth below:

Murugavel Janakiraman

Subsidiaries

Name of the subsidiary	Number of equity shares	Percentage Shareholding (%)
Community Matrimony Private Limited	1	0.00
Sys India Private Limited	100*	0.10
Matchify Services Private Limited	1	0.01
Tambulya Online Marketplace Private Limited	1	0.01

**Held as a nominee shareholder on behalf of our Company*

Group Entities

Name of the associate company	Number of equity shares	Percentage Shareholding (%)
India Property Online Private Limited	2,223,114	52.52
Propfinder Private Limited	1	0.01

Appointment of relatives of Directors to any office or place of profit

Except Ravi Janakiraman who has been appointed as Senior Manager (Commercial) and is the brother of Murugavel Janakiraman and the brother-in-law of Deepa Murugavel, there are no relatives of the Directors who currently hold any office or place of profit in our Company and Subsidiaries.

Borrowing powers of the Board

In accordance with the Articles of Association and subject to the provisions of the Companies Act, 2013, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit. Pursuant to a resolution of the shareholders dated June 25, 2015, the Board is authorised to borrow up to an amount ₹ 1,000,000,000, in excess of the paid up capital and free reserves of our Company and for creation of charge/ providing security for the sum borrowed on the assets of our Company.

Corporate Governance

The provisions of the Equity Listing Agreement to be entered into with the Stock Exchange with respect to corporate governance as well as the provisions of the Companies Act, 2013 will be applicable to our Company immediately upon the listing of the Equity Shares with the Stock Exchange. Our Company is in compliance with the requirements of the Companies Act, 2013, Equity Listing Agreement in respect of corporate governance including constitution of the board of directors and committees thereof.

Committees of the Board

Audit Committee

The Audit Committee was constituted by a meeting of the Board of Directors held on August 1, 2008 and last reconstituted on April 16, 2015. The members of the Audit Committee are:

1. Milind Shripad Sarwate, non-executive independent Director; (Chairman)
2. George Zacharias, non-executive independent Director;
3. Nikhil Nirvan Khattau, non-executive nominee Director; and
4. Chinni Krishnan Ranganathan, non-executive Chairman and independent Director

Scope and terms of reference: The Audit Committee would perform the following functions with regard to accounts and financial management:

Role of the Audit Committee:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment, 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 before submission to the board for approval, with particular reference to:
 - 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;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - 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 utilized for purposes other than stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditors' 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 control and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and 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 regarding 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. Looking into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Review of the functioning of the Whistle Blower mechanism and all redressal mechanisms and forums required under the Companies Act 2013;
19. Approval of appointment of CFO (i.e the whole time Finance Director or any other person heading the finance section 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.

Review of information:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial conditions and results of operations,
2. Statement of significant related party transactions submitted by management;
3. Management letter/letters of internal control weakness issued by the statutory auditors,
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

Nomination and Remuneration Committee

The Compensation committee was constituted by a meeting of the Board of Directors held on January 18, 2008 and last reconstituted on April 16, 2015. The members of the Compensation Committee are:

1. Milind Shripad Sarwate, non-executive independent Director; (Chairman)
2. Nikhil Nirvan Khattau, non-executive nominee Director;
3. George Zacharias, non-executive independent Director; and
4. Avneet Singh Kochar, non-executive nominee Director.

Scope and terms of reference: The Compensation Committee is responsible, among other things, for:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
2. To carry out evaluation of every Director's performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors for the Directors, key managerial personnel and other employees;
4. To formulate the criteria for evaluation of Independent Directors and the Board;
5. To devise a policy on Board diversity;
6. To recommend/review remuneration of the managing Director(s) and whole-time Director(s) based on their performance and defined assessment criteria;
7. To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including:
 - the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
 - the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - the exercise period within which the employee should exercise the option, and that the option would lapse on failure to exercise the option within the exercise period;
 - the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - the right of an employee to exercise all options vested in him at one time or at various points of time within the exercise period;
 - the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others;
 - the granting, vesting and exercising of options in case of employees who are on long leave; and
 - the procedure for cashless exercise of options.
8. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
9. To perform such other functions as may be necessary or appropriate for the performance of its duties.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted by a meeting of the Board of Directors held on February 4, 2015. The members of the Stakeholders Relationship Committee are:

1. Nikhil Nirvan Khattau, non-executive nominee Director; (Chairman)
2. Murugavel Janakiraman, Managing Director; and
3. Milind Shripad Sarwate, non-executive independent Director

Scope and terms of reference: The terms of reference of the Stakeholders Relationship Committee are as follows:

1. Investor relations and redressal of shareholders' grievances in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet, share certificate etc.;
2. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee; and
3. To approve request received for transfer, transmission, demat etc. of securities of the Company.

Risk and Governance Committee

The Risk and Governance Committee was constituted by a meeting of the Board of Directors held on April 16, 2015. The members of the Risk and Governance Committee are:

1. George Zacharias, non-executive independent Director (Chairman)
2. Milind Shripad Sarwate, non-executive independent Director;
3. Nikhil Nirvan Khattau, non-executive nominee Director; and
4. Avneet Singh Kochar, additional Director;

Scope and terms of reference: The Risk and Governance Committee is responsible, amongst other things, for:

1. To review, and, as applicable, approve the Company's risk governance framework, risk assessment and risk management practices, and the guidelines, policies and processes for risk assessment and risk management;
2. To review, and, as applicable, approve the Company's risk appetite and key risk policies on the establishment of risk limits, as well as the guidelines, policies and processes for monitoring and mitigating such risks;
3. To ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
4. To evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning);
5. To discuss with the risk officers all risk-related guidelines, policies and processes;
6. To receive and review periodic reports from management on the metrics used to measure, monitor and manage risks, including management's views on acceptable and appropriate levels of exposures;
7. To receive reports from the Company's Internal Auditors and Statutory Auditors on the results of risk management reviews and assessments;
8. To review the status of regulatory reviews relating to the Company;
9. To review periodic reports on selected risk topics as the Risk and Governance Committee deems appropriate;
10. To review the independence, authority, and effectiveness of the risk management function, including staffing level and staff qualifications; and
11. To discharge any other duties or responsibilities delegated to the Risk and Governance Committee by the Board.

IPO Committee

The IPO Committee was constituted by a meeting of the Board of Directors held on October 17, 2014 and last reconstituted on April 16, 2015. The members of the IPO Committee are:

1. Nikhil Nirvan Khattau, non-executive nominee Director; (Chairman)
2. Murugavel Janakiraman, Managing Director;
3. George Zacharias, non-executive independent Director
4. Milind Shripad Sarwate, non-executive independent Director;
5. Avneet Singh Kochar, additional Director; and
6. Vishal Vijay Gupta, additional Director

Scope and terms of reference: The IPO Committee is responsible for:

1. Evaluating the viability of the proposed IPO of the Company *vis-a-vis* market conditions, investors interest and recommend to the Board on the timing of the proposed Offer, the number of equity shares that may be offered under the Offer, the objects of the Offer, allocation of the equity shares to a specific category of persons and the estimated expenses on the Offer as a percentage of Offer Size.
2. Identify, appoint and enter into necessary agreements/arrangements with the book running lead managers, underwriters, syndicate members, brokers/sub-brokers, bankers, escrow collection bankers, registrars, legal advisors, placement agents, depositories, trustees, custodians, advertising agencies, monitoring agency, stabilization agent and all such persons or agencies as may be involved in or concerned with and to negotiate and finalize the terms of their appointment, including mandate letter, finalization and execution of the memorandum of understandings, etc.
3. Finalizing remuneration of all such intermediaries, advisors, agencies and persons as may be involved in or concerned with the Offer, if any, by way of commission, brokerage, fees or the like and opening bank accounts, share/securities accounts, escrow or custodian accounts in India or abroad.
4. Guiding the intermediaries in the preparation and finalization of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus and the preliminary and final international wrap and approving the same including any amendments, supplements, notices to corrigenda thereto, together with any summaries thereto.
5. Finalizing and arranging for the submission of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus and the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, to the SEBI, the Stock Exchange, the Registrar of Companies and other appropriate Government and regulatory authorities, institutions or bodies.
6. Making applications for the listing of shares in one or more of the stock exchange(s) for the listing of equity shares of the Company and to execute and to deliver or arrange the delivery of necessary documentation to the stock exchange(s) concerned.
7. Seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned Government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer, if any.
8. Determining and finalizing the price band for the Offer, any revision to the price band and the final Offer Price, after bid closure, determining the bid opening and closing dates and determining the price at which the equity shares are offered or issued/allotted to investors in the Offer.
9. Making applications to the FIPB, the RBI and such other authorities as may be required for the purpose of allotment of shares to NRIs.
10. Opening with the Bankers to an issue such accounts are required by the regulations issued by SEBI.
11. To carry out all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, finalize 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.
12. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment as it may, in its absolute discretion deem fit.

Interest of Directors

The Directors may be deemed to be interested to the extent of any fees and remuneration payable to them by our Company as well as to the extent of any reimbursement of expenses payable to them, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. For details, see "*Payments or benefits to the Directors*" above. Further, the Directors of the may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by them with any company in which they hold directorships or any partnership in which they are partners. The Directors may also be regarded as interested in the Equity Shares, if any, held by them or their relatives or by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or that may be allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees pursuant to the Offer. Except as stated in the section titled "*Our Management – Shareholding of Directors*" on page 187, our Directors do not hold any Equity Shares. Murugavel Janakiraman is also interested to the extent of being the Promoter of our Company and to the extent of expenses incurred by our Company in defending the litigation against all defendants (including our Promoter) in the Rajan Desai et al. v. Infonauts et al. litigation, as well as in respect of the proceedings initiated by the Company against the US Plaintiffs before the Madras High Court. For more information on the US Case, see

the sections titled “*Risk Factors - An unfavorable resolution of the Desai et al. v. Infonauts, Inc., et al. litigation could have a material adverse effect on our reputation, business, prospects, financial condition and results of operations as well as our Company’s capital structure*” and “*Outstanding Litigation and Material Developments*” and “*Risk Factors - The Company has incurred substantial legal expenses in recent years on account of litigation with Rajan Desai and may continue to incur such expenses in the future as well. These expenses may materially and adversely affect our business prospects, financial condition and results of operations.*” on pages 15, 346 and 30 respectively.

Our Directors have no interest in any property acquired by our Company within the preceding two years from the date of this Draft Red Herring Prospectus. Further, the Directors are not interested in any transaction with our Company in relation to acquisition of land, construction of building and supply of machinery.

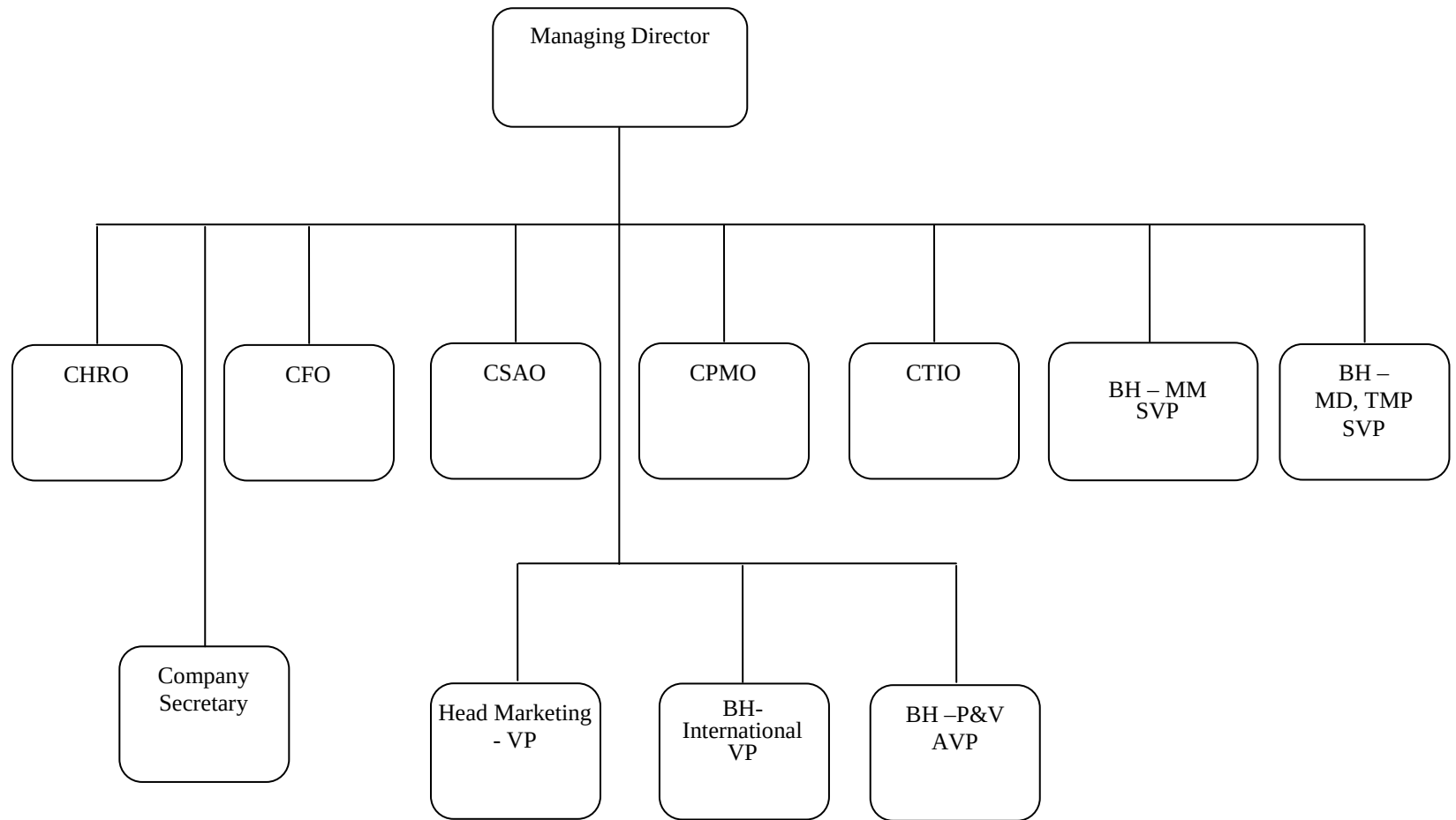
Except for our nominee Directors, namely, Avneet Singh Kochar, Nikhil Nirvan Khattau and Vishal Vijay Gupta, nominated pursuant to the terms of the Shareholders’ Agreement, Amendment Agreement and the Deed of Adherence, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which the Directors or the key managerial personnel were selected as director, key managerial personnel or member of senior management. Further, our Company has entered into an indemnity agreement dated December 30, 2013, with our Director, Nikhil Nirvan Khattau indemnifying him and the entity that designated him to serve as a Director to the extent permitted by applicable law and our Memorandum and Articles of Association from proceedings, losses or expenses in relation to (i) any actual or alleged action taken or attempted by Nikhil Nirvan Khattau in his capacity as, or otherwise by reason of or, arising out of being a Director of our Company or serving at the request of our Company as a director, officer, employee or agent of another enterprise (whether or not Mr. Khattau was serving in such capacity at the time of any liability); or (ii) any inaction or omission by Mr. Khattau while acting any of in the forgoing capacities.

Except as stated in the section titled “*Related Party Transactions*” on page 207, our Directors do not have any other interest in the business of our Company.

Changes in the Board of Directors in the last three years

Name	Appointment/Cessation	Date of Change	Reason
Robin Chandra	Cessation	July 11, 2012	Resignation
Subramanya Venkat Sumukh	Appointment	July 11, 2012	Appointed as Director
Kilaiyur Chandrasekhar	Cessation	October 16, 2014	Resignation
Subramanya Venkat Sumukh	Cessation	October 10, 2014	Resignation
Vishal Vijay Gupta	Appointment	October 17, 2014	Appointed as Director
Chinni Krishnan Ranganathan	Appointment	October 17, 2014	Appointed as Director
Milind Shripad Sarwate	Appointment	November 26, 2014	Appointed as Director
Alok Mittal	Cessation	March 24, 2015	Resignation
Avneet Singh Kochar	Appointment	April 16, 2015	Appointment as Director

Management Organisation Chart



CHRO- Chief Human Resources Officer
CFO – Chief Financial Officer
CSAO – Chief Strategy and Analytics Officer
CPMO – Chief Portal and Mobile Officer
CTIO – Chief Technology Operation and Infrastructure Officer

MM – Match Making
MD – Matrimony Directory
P&V – Photography and Videography
TMP – Tambulya Market Place

SVP- Senior Vice President
VP – Vice President
AVP – Associate Vice President

Key Managerial Personnel and Senior Management Personnel

Our key managerial personnel, as defined under Section 2(51) of the Companies Act, 2013, consist of:

1. Murugavel Janakiraman, Managing Director;
2. S. Parameshwar, Chief Financial Officer; and
3. S. Vijayanand, Associate General Manager, Company Secretary and Compliance Officer

In addition to the persons mentioned above, our key managerial personnel, the Senior Managerial Personnel of our Company consist of:

1. S Saichithra, Chief Portal and Mobile Officer;
2. R. Chandrasekar, Chief Technology Operation and Infrastructure Officer;
3. Sunitha Lal, Chief Human Resource Officer;
4. Jayaram K Iyer, Chief Strategy Officer

Brief Biographies of our Key Managerial Personnel and our Senior Management Personnel

S. Parameshwar, aged 51, is our Chief Financial Officer. He is an associate of the Institute of Chartered Accountants of India, the Institute of Cost and Works Accountants of India and is a member of the American Institute of Certified Public Accountants. He has completed the 2002 school of accountancy programme conducted by the Chartered Accountants of Ontario. He has also passed the CISA examination for Certified Information Systems Auditors conducted by the ISACA. He has over 24 years of experience in the field of accounting, taxation, audit, legal and compliance and corporate finance. He has been associated with our Company since July 9, 2008 and is responsible for finance, accounts and legal compliances of our Company. Prior to joining our Company, he was employed with Zenta Knowledge Services Private Limited as a vice president, Klasner & Solomon, KPMG Peat Marwick, Guest Keen Williams Limited, Shanfari Trading and Contracting Company L.L.C., Oman Resources Development Consultants L.L.C. and Al-Habib and Company L.L.C. He is a permanent employee of our Company. He was paid a remuneration of ₹ 5.15 million in fiscal 2015.

S. Vijayanand, aged 35, is our Associate General Manager - Company Secretary and Compliance. He is an associate of the Institute of Company Secretaries of India and holds a bachelor's degree in commerce from the University of Madras and a master's degree in business administration from Madurai Kamaraj University, Madurai. He has over 10 years of experience as a company secretary and compliance officer. He has been associated with our Company since January 18, 2013 and is responsible for secretarial functions and legal compliance of the Company. Prior to joining our Company, he was employed with National Stock Exchange of India Limited, Everonn Education Limited and India Motor Parts and Accessories Limited. He is a permanent employee of our Company. He was paid a remuneration of ₹ 1.09 million in fiscal 2015.

S. Saichithra, aged 37, is our Chief Portal and Mobile Officer. She holds a bachelor's degree in computer science and master's degree in computer applications from Bharathidasan University. She has over 14 years of experience in the field of product development and technology. She has been associated with our Company since July 7, 2000 and is responsible for projects and technical department of our Company. She is a permanent employee of our Company. She was paid a remuneration of ₹ 5.30 million in fiscal 2015.

R. Chandrasekar, aged 47 is our Chief Technology Operation and Infrastructure Officer. He holds a bachelor's degree in science and master's degree in computer application from Bharathidasan University. He has been associated with our Company since December 8, 2006 and is responsible for the system administration department and information technology services of our Company. He is a permanent employee of our Company. He was paid a remuneration of ₹ 4.05 million in fiscal 2015.

Sunitha Lal, aged 47, is our Chief Human Resources Officer. She holds a bachelor's degree in home science, a diploma in labour law and administrative law and a master's degree in labour management from Madurai Kamaraj University, Madurai. She has been associated with our Company since August 13, 2012 and is responsible for human resources department of our Company. Prior to joining our Company, she was employed with Mphasis

Limited. She is a permanent employee of our Company. She was paid a remuneration of ₹ 4.97 million in fiscal 2015.

Jayaram K Iyer, aged 48, is our Chief Strategy Officer. He holds a degree of doctorate of philosophy in management sciences from Karunya University, Coimbatore. He has been associated with our Company since September 1, 2012 and is responsible for the strategy and analytics department of our Company. Prior to joining our Company, he was employed with Loyola Institute of Business Administration, Chennai as an associate professor. He is a permanent employee of our Company. He was paid a remuneration of ₹ 7.30 million in fiscal 2015.

For a brief profile of Murugavel Janakiraman, our Managing Director, see the sub-section titled “*Our Management – Brief Biographies of the Directors*” on page 185.

Relationships among Key Managerial Personnel and Senior Management Personnel

None of our key managerial personnel and senior management personnel are related to each other.

Service Contracts

Other than the statutory benefits in forms of gratuity, encashment of available annual leave, medical benefit and one month’s gross, our Company has not entered into any service contract with any of the key managerial personnel for provision of benefits or payments of any amount upon termination of employment.

Shareholding of key managerial personnel

Except as disclosed in the sub-section titled “*Our Management – Shareholding of Directors*” on page 187, none of our key managerial personnel and senior management personnel hold any Equity Shares.

Bonus or profit sharing plan of the key managerial personnel

There is no bonus or profit sharing plan for our key managerial personnel.

Interests of key managerial personnel

Other than as disclosed in “*Our Management - Interest of Directors*” on page 192, the key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Our key managerial personnel may also be regarded as interested in the Equity Shares or stock options held by them as provided below:

Name of the KMP	Designation	Number of ESOPs
S. Parameshwar	Chief Financial Officer	20,370
S. Vijayanand	Company Secretary and Compliance Officer	2,400
S. Saichithra	Chief Portal and Mobile Officer	191,697
R. Chandrasekar	Chief Technology Operation and Infrastructure Officer	14,377
Sunitha Lal	Chief Human Resource Officer	14,377
Jayaram K. Iyer	Chief Strategy Officer	28,755

Changes in the key managerial personnel and senior management personnel

For details of changes in our Directors for the last three years, see the sub-section titled “*Changes in the Board of Directors in the last three years*” on page 193.

Changes in our key managerial personnel and senior management personnel (other than our Executive Director) in the last three years are as follows:

Name	Date of change	Reason
S. Vijayanand	January 18, 2013	Appointed as Company Secretary
Sunitha Lal	August 13, 2012	Appointed as Chief Human Resource Officer

Employee Stock Option Scheme

For details of scheme of employee stock option in our Company, see section titled “*Capital Structure-Employee stock option scheme*” on page 90.

Payment or Benefit to officers of our Company

Except for expenses incurred by our Company in defending the litigation against all defendants (including our Promoter and Managing Director) in the Rajan Desai et al. v. Infonauts et al. litigation, as well as in respect of the proceedings initiated by the Company and our Promoter against the US Plaintiffs before the Madras High Court, no amount of benefit has been paid or given to any officer of our Company within the two preceding years from the date of this Draft Red Herring Prospectus or is intended to be paid, other than in the ordinary course of their employment, except for remuneration, perquisites and allowances and stock options under the ESOP Scheme. For more information on the US Case, see the sections titled “*Risk Factors - An unfavourable resolution of the Desai et al. v. Infonauts, Inc., et al. litigation could have a material adverse effect on our reputation, business, prospects, financial condition and results of operations as well as our Company’s capital structure*” and “*Outstanding Litigation and Material Developments*” and “*Risk Factors - The Company has incurred substantial legal expenses in recent years on account of litigation with Rajan Desai and may continue to incur such expenses in the future as well. These expenses may materially and adversely affect our business prospects, financial condition and results of operations.*” on pages 15, 346 and 30, respectively.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated in the section titled “*Related Party Transactions*” beginning on page 207, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors or our Promoter.

OUR PROMOTER, PROMOTER GROUP AND GROUP ENTITIES

Our Promoter

Murugavel Janakiraman is the individual Promoter of our Company.

For details of the build-up of our Promoter's shareholding in our Company, see section titled "*Capital Structure – Notes to Capital Structure*" on page 86.

The details of our Promoter are as follows:

Murugavel Janakiraman



Identification Particulars	Details
Voter ID number	TIK0841114
Driving License number	F/TN/07X/023762/2006
Passport number	Z1766815

Murugavel Janakiraman, aged 45 years, is on our Board and is also the managing director of our Company. For a complete profile of Murugavel Janakiraman i.e. his residential address, educational qualification, professional experience, positions/posts held in the past and other directorships and special achievements, see section titled "*Our Management*" beginning on page 182.

Other Undertakings and Confirmations

Our Company undertakes that the details of the PAN, passport number and the bank account number of Murugavel Janakiraman will be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus with the Stock Exchange.

There are no violations of securities laws committed by our Promoter, any member of our Promoter Group or any Group Entity, in the past or which are currently pending against them and our Promoter, Promoter Group and Group Entity have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority nor have they been declared as wilful defaulters by the RBI or any other authority.

Our Promoter is not interested in any entity which holds any intellectual property rights that are used by our Company.

Further, our Promoter was or is not a promoter or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Outstanding Litigation

Except as disclosed in the section "*Outstanding Litigation and Material Developments- Litigation involving our Promoter*" on page 363, there is no litigation or legal action pending or taken by a ministry, department of the government or statutory authority during the last five years preceding the date of this Draft Red Herring Prospectus against our Promoter.

Disassociation by the Promoter in the last three years

Except as stated below, our Promoter has not disassociated with any venture during the three years preceding the date of filing of this Draft Red Herring Prospectus:

Name of the company	Date of disassociation	Reason for disassociation
Consim Direct Inc., Nevis	December 6, 2012	Dissolution of company
India Property Online Holding Limited	December 30, 2013	Dissolution of company
MatrimonyGifts Wholesale India Private Limited	December 29, 2014	Discontinuation of operations of the company.
Consim Direct Holdings Cyprus Limited	December 29, 2014	Dissolution of company

Experience of the Promoter in the business of our Company

Our Promoter, has an experience of over 18 years, in the business of our Company. Our Promoter is assisted by a qualified and experienced team to manage the operations of our Company. For details in relation to the qualification and experience of our Promoter, see section titled “*Our Management*” on page 182.

Common Pursuits of our Promoter

Our Promoter, Murugavel Janakiraman is on the board of directors of India Property Online Private Limited and Propfinder India Private Limited, companies forming part of our Group Entities. None of the Group Entities are in the same line of business as that of our Company.

Interest of Promoter in the promotion of our Company

Our Company is promoted by Murugavel Janakiraman. Our Promoter is interested in our Company as mentioned above under “*Our Promoter, Promoter Group and Group Entities– Common Pursuits of our Promoter*” and to the extent of his shareholding and managing directorship (including remuneration and perquisites) in our Company and the dividend declared, if any, by our Company.

Interest of Promoter in the property of our Company

Our Promoter does not have any interest in any property acquired by our Company within the two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus. Further, our Promoter does not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Payment of amounts or benefits to our Promoter or Promoter Group during the last two years

Except for transactions with Murugavel Janakiraman and Ravi Janakiraman as stated in “*Related Party Transactions*” on page 207, remuneration paid to Murugavel Janakiraman as a Director of our Company and to Ravi Janakiraman as an employee of our Company and expenses incurred by our Company in defending the litigation against all defendants (including our Promoter) in the Rajan Desai et al. v. Infonauts et al. litigation, as well as in respect of the proceedings initiated by the Company and our Promoter against the US Plaintiffs before the Madras High Court, the provision of a new car in fiscal 2014 as a replacement for the existing car provided to our Promoter as an executive Director and to the extent of the shareholding of the Promoter and the members of the Promoter Group in our Company and the dividend declared, no amount or benefit has been paid by our Company to our Promoter or the members of our Promoter Group in the last two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given to our Promoter or members of our Promoter Group. For further details, please see “*Risk Factors- An unfavorable resolution of the Desai et al. v. Infonauts, Inc., et al. litigation could have a material adverse effect on our reputation, business, prospects, financial condition and results of operations as well as the Company’s capital structure, and could dilute, affect the price of and/or diminish the value of the Company’s equity shares*” and “*Risk Factors- The Company has incurred substantial legal expenses in recent years on account of litigation with Rajan Desai and Real Soft Inc., and may continue to incur such expenses in the future as well. These expenses may materially and adversely affect our business prospects, financial condition and results of operations*” on pages 15 and 30, respectively.

Interest of Promoter in our Company other than as Promoter

Other than as a promoter, our Promoter is interested in our Company to the extent of the expenses incurred by our Company in defending the litigation against all defendants (including our Promoter) in the Rajan Desai et al. v. Infonauts et al. litigation, as well as in respect of the proceedings initiated by the Company and our Promoter against the US Plaintiffs before the Madras High Court, his shareholding and managing directorship (including remuneration and perquisites) in our Company and the dividend declared, if any, by our Company. Our Promoter may also be interested to the extent of Equity Shares held by Indrani Janakiraman, his mother, Deepa Murugavel, his wife and Ravi Janakiraman, his brother.

Except as mentioned in this section and sections titled “*Our Business*”, “*History and Corporate Structure*”, “*Our Management*” and “*Related Party Transactions*” on pages 149, 170, 182 and 207, respectively, our Promoter does not have any interest in our Company.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus see section titled “*Capital Structure – Notes to Capital Structure*” on page 86.

Other confirmations

Our Company has neither made any payments in cash or otherwise to the Promoter or to firms or companies in which our Promoter is interested as a member, director or promoter nor has our Promoter been offered any inducements to become a director or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company, except the expenses incurred by our Company in defending the litigation against all defendants (including our Promoter) in the Rajan Desai et al. v. Infonauts et al. litigation, as well as in respect of the proceedings initiated by the Company and our Promoter against the US Plaintiffs before the Madras High Court and as stated in the section “*Related Party Transactions*” on page 207.

Promoter Group

In addition to our Promoter named above, the following natural persons and companies form part of our Promoter Group.

(a) Natural Persons

The natural persons who are part of our Promoter Group (being the immediate relatives of our Promoter), apart from our individual Promoter, are as follows:

S. No.	Name	Relation with Promoter
1.	Deepa Janakiraman	Wife of Murugavel Janakiraman
2.	Arjun Murugavel	Son of Murugavel Janakiraman
3.	Anisha Murugavel	Daughter of Murugavel Janakiraman
4.	Indrani Janakiraman	Mother of Murugavel Janakiraman
5.	Ravi Janakiraman	Brother of Murugavel Janakiraman
6.	S. Janakiraman	Father of Deepa Janakiraman
7.	Indradevi Janakiraman Naicker	Mother of Deepa Janakiraman
8.	Rama Shanmugam	Sister of Deepa Janakiraman

(b) Promoter Group Entities

Other than our direct Subsidiaries, the companies, HUFs and partnership firms that form part of our Promoter Group are as follows:

S. No.	Name of Promoter Group entity
1.	Propfinder India Private Limited
2.	B.M. Marriage Services Private Limited (Dormant)

S. No.	Name of Promoter Group entity
3.	Netmatch Info Private Limited (Dormant)
4.	Consim Direct Mauritius Limited
5.	Infonauts Inc, USA
6.	India Property Online Private Limited

Group Entities

The following are our Group Entities as defined under Schedule VIII of the SEBI Regulations and which include those companies in which our Promoter holds 50 % or more equity shareholding and their subsidiaries are our Group Entities as defined under Schedule VIII of the SEBI Regulations:

1. India Property Online Private Limited
2. Propfinder India Private Limited;
3. Consim Direct Mauritius Limited; and
4. Infonauts Inc

No equity shares of our Group Entities are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

The details of our Group Entities are as follows:

1. **India Property Online Private Limited**

India Property Online Private Limited (“**India Property**”) was incorporated on March 29, 2012 under the Companies Act, 1956. Its CIN is U74999TN2012PTC085210. The registered office of India Property is situated at 6th Floor, TVH Belicia Towers, Tower II MRC Nagar, Mandaveli, Chennai – 600028.

India Property is carrying on the business of, *inter alia*, property marketing and advisory services.

Shareholding Pattern

The shareholding pattern of India Property, based on its issued capital, as of the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 1.00	Percentage of equity capital	No. of preference shares of ₹ 5.00	Percentage of preference capital
1.	Murugavel Janakiraman	2,223,114	52.52	-	-
2.	Indrani Janakiraman	16,677	0.39	-	-
3.	CMDB II	1,015,367	23.99	1,873,597	34.68
4.	Mayfield XII, Mauritius	508,888	12.02	1,645,510	30.45
5.	Bessemer India Capital Holdings II Ltd	294,144	6.95	-	-
6.	Draper Investment Company LLC	19,018	0.45	-	-
7.	The Hartenbaum Revocable Trust U/A/D 02/03/06	4,759	0.11	-	-
8.	Bertelsmann Nederland B.V	150,630	3.56	1,883,996	34.87
Total		4,232,597	100.00	5,403, 103	100.00

Board of Directors

The board of directors of India Property comprises the following persons:

1. Nikhil Nirvan Khattau;
2. Murugavel Janakiraman;
3. Avneet Singh Kochar
4. Pankaj Makkar; and

5. T Ganesh Vasudevan.

Financial Performance

The financial results derived from the audited financial statement of India Property for the fiscals 2013 and 2014 are set forth below:

(in ₹, unless otherwise stated)

Particulars	Fiscal 2013	Fiscal 2014
Sales and other income	208,131,209	364,307,168
Profit after tax (₹)	(227,621,557)	(287,004,172)
Equity capital (par value ₹ 1.00 per share)	4,232,297	4,232,597
Reserves and Surplus (excluding revaluation reserves)	(227,621,557)	555,687,804
Earnings/ (Loss) per share (basic) (₹)	(507.97)	(67.81)
Earnings/ (Loss) per share (diluted) (₹)	(507.97)	(67.81)
Book value per equity share (₹)	(52.78)	132.30

Significant Notes of auditors for the last three fiscals

There are no significant notes of auditors in respect of the financial results of India Property for the last three fiscals.

2. Propfinder India Private Limited

Propfinder India Private Limited (“**Propfinder**”) was incorporated on March 29, 2012 under the Companies Act, 1956. Its CIN is U74999TN2012PTC085203. The registered office of Propfinder is situated at No.94/95, RR Tower II, 4th Floor, TVK Industrial Estate, Guindy, Chennai - 600032.

Propfinder is carrying on the business of, providing, *inter alia* services of buying, selling and leasing of immoveable property and to act as facilitators in property transactions and allied services.

Shareholding Pattern

The shareholding pattern of Propfinder as of the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of shareholder	No. of equity shares of ₹ 1.00	Percentage of issued capital
1.	India Property	99,999	99.99
2.	Murugavel Janakiraman (as a nominee of India Property Online Private Limited)	1.00	0.01
Total		100,000	100.00

Board of Directors

The board of directors of Propfinder comprises the following persons:

1. Murugavel Janakiraman; and
2. T Ganesh Vasudevan

Financial Performance

The financial results derived from the audited financial statement of Propfinder for the fiscals 2013 and 2014 are set forth below:

(in ₹, unless otherwise stated)

Particulars	Fiscal 2013	Fiscal 2014
Sales and other income (₹)	10,562,563.53	31,097,529.61

Particulars	Fiscal 2013	Fiscal 2014
Profit after tax (₹)	729,522.00	(6,475,540.76)
Equity capital (par value ₹ 1.00 per share)	100,000	100,000
Reserves and Surplus (excluding revaluation reserves)	729,522.00	(5,746,018.76)
Earnings/ (Loss) per share (basic) (₹)	7.30	(64.76)
Earnings/ (Loss) per share (diluted) (₹)	7.30	(64.76)
Book value per equity share (₹)	8.30	(56.46)

Significant Notes of auditors for the last three fiscals

There are no significant notes of auditors in respect of the financial results of Propfinder for the last three fiscals.

3. Consim Direct Mauritius Limited

Consim Direct Mauritius Limited (“CDML”) was incorporated on August 22, 2013 under the laws of Republic of Mauritius. The Company number is 118120. The registered office of CDML is situated at Suite 501, St James Court, St Denis Street Port Louis, Mauritius.

CDML is carrying on the business of providing, *inter alia*, administrative support for the overseas business of our Promoter.

Shareholding Pattern

The shareholding pattern of CDML as of the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of shareholder	No. of equity shares of USD 1.00 each	Percentage of issued capital (%)
1.	TLR Nominees Limited holding on behalf of Murugavel Janakiraman	1.00	100.00
Total		1.00	100.00

Board of Directors

Michella Noli is the only director of CDML

Financial Performance

The financial results derived from the audited financial statement of CDML for the fiscals 2014 and 2015 are set forth below:

<i>(in ₹, unless otherwise stated)</i>		
Particulars	Fiscal 2014	Fiscal 2015
Sales and other income	-	-
Profit after tax (₹)	(95.00)	-
Equity capital (par value of 1 GBP per share)	95.00	95.00
Reserves and Surplus (excluding revaluation reserves) (₹)	(95.00)	(95.00)
Earnings/ (Loss) per share (basic) (₹)	(95.00)	-
Earnings/ (Loss) per share (diluted) (₹)	(95.00)	-
Book value per equity share (GBP)	0.00	0.00

Significant Notes of auditors for the last three fiscals

There are no significant notes of auditors in respect of the financial results of CDML for the last three fiscals.

4. Infonauts Inc.

Infonauts Inc. (“Infonauts”) was incorporated on March 22, 2000 under the laws of the United States of America.

The Company number is 0100811275. The registered office of Infonauts is situated at 220 Davidson Ave, Suite 315, Somerset, New Jersey 08873.

Infonauts was incorporated and owned by our Promoter till June 2006. Infonauts was a subsidiary of our Company from June 2006 till March 2013. Infonauts was reacquired by our Promoter in March 2013 and is currently carrying on the business of providing, *inter alia*, administrative support to the overseas business of Murugavel Janakiraman.

Shareholding Pattern

The shareholding pattern of Infonauts as of the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of shareholder	No. of equity shares of USD 1.00	Percentage of issued capital (%)
1.	Murugavel Janakiraman	1,000	100
Total		1,000	100

Board of Directors

Murugavel Janakiraman is the only director on the board of directors of Infonauts.

Financial Performance

The financial results derived from the audited financial statement of Infonauts for the fiscals 2013, 2014 and 2015 are set forth below:

<i>(in ₹, unless otherwise stated)</i>			
Particulars	Fiscal 2013	Fiscal 2014	Fiscal 2015
Sales and other income (₹)	327,170	2919	0.00
Profit after tax (₹)	(82,940)	(162,054)	(133,375)
Equity capital (par value 1 USD per share)	43,540	43,540	43,540
Reserves and Surplus (excluding revaluation reserves)	1,328,099	1,166,046	1,032,670
Earnings/ (Loss) per share (basic) (₹)	(82.94)	(162.05)	(133.38)
Earnings/ (Loss) per share (diluted) (₹)	(82.94)	(162.05)	(133.38)
Book value per equity share	1,371.64	1209.59	1076.21

Significant Notes of auditors for the last three fiscals

There are no significant notes of auditors in respect of the financial results of Infonauts for the last three fiscals.

Defunct Group Entities

There are no Group Entities, which had remained defunct or for which an application was made to the registrar of companies for striking off its name, during the five years preceding the date of this Draft Red Herring Prospectus.

Other Confirmations

None of our Group Entities have been become sick companies under the meaning of the SICA or are under winding up. Our Group Entities, India Property in fiscal 2013, Propfinder in fiscal 2014, Infonauts in fiscal 2013 have incurred losses. For further details, see section titled “Our Promoter, Promoter Group and Group Entities- Group Entities- India Property Online Private Limited”, “Our Promoter, Promoter Group and Group Entities- Group Entities- Propfinder India Private Limited” and “Our Promoter, Promoter Group and Group Entities- Group Entities- Infonauts Inc” on pages 201, 202 and 203, respectively, There are no other adverse factors related to our Group Entities in relation to losses incurred by them in the immediately preceding three years prior to the date of this Draft Red Herring Prospectus.

Interest of our Promoter in our Group Entities

Except to the extent of his shareholding and directorship, as detailed above, our Promoter has no other interest in our Group Entities.

Outstanding Litigation

For details regarding the outstanding litigation against our Promoter and Group Entities, see “*Outstanding Litigation and Material Developments*” on page 346.

Group Entities with negative net worth

Except for Propfinder India Private Limited, none of our Group Entities has had negative net worth in fiscal 2014.

Common pursuits of our Group Entities

There are no common pursuits among our Company and our Group Entities.

For further details on the related party transactions, to the extent of which our Company is involved, see “*Related Party Transactions*” on page 207.

Related Party Transactions

Except as stated in “*Related Party Transactions*” on page 207, our Company has not entered into related party transactions with our Promoter or our Group Entities.

Sales or purchases exceeding 10% in aggregate of the total sales or purchases of our Company

Except as stated in “*Related Party Transactions*” on page 207, there are no sales or purchases between Group Entities exceeding 10% in aggregate in value of the total sales or purchases of our Company.

Interest of Group Entities in promotion of our Company

None of our Group Entities have any interest in the promotion of our Company.

Interest of our Group Entities in the property of our Company

None of our Group Entities have any interest in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Payment of amount or benefits to our Group Entities during the last two years

Except as disclosed in the section “*Related Party Transactions*” on page 207 and payment of expenses incurred by our Company in defending the litigation against all defendants (including Infonauts Inc, USA) in the Rajan Desai et al. v. Infonauts et al. litigation, as well as in respect of the proceedings initiated by the Company and our Promoter against the US Plaintiffs before the Madras High Court, no amount or benefits were paid or are intended to be paid to our Group Entities within the two years of the date of filing of this Draft Red Herring Prospectus.

Interest of Group Entities in any transaction by our Company

Except as disclosed in the section “*Related Party Transactions*” on page 207, none of our Group Entities were interested in any transaction by our Company involving acquisition of land, construction of building or supply of any machinery.

Business interests of our Group Entities in our Company

Except as disclosed in the section “*Related Party Transactions*” on page 207, there are no business interests of our Group Entities in our Company.

Shareholding of our Group Entities in our Company

None of our Group Entities hold any Equity Shares in our Company.

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 section "Financial Statements – Annexure XXI, on page 312.

DIVIDEND POLICY

Our Company does not have a formal dividend policy. The declaration and payment of dividends are governed by the applicable provisions of the Companies Act, 2013 and the Articles of Association and will depend on a number of other factors, including the results of operations, financial condition, capital requirements and surplus, contractual restrictions and other factors considered relevant by our Board.

No dividends have been declared on the Equity Shares by our Company during the last five years.

However, our dividend history is not necessarily indicative of our dividend policy, in the future. Future dividends, if any, will depend on our revenues, profits, cash flow, financial condition, capital requirements and other factors.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Report of auditors on the restated consolidated summary statement of Assets and Liabilities as at March 31, 2015, 2014, 2013, 2012, 2011 and Profits and Losses and Cash Flows for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 for Matrimony.com Limited (Collectively, the “Restated Consolidated Summary Statements”)

The Board of Directors
Matrimony.com Limited
TVH Beliciaa Towers, 10th Floor, Tower II,
No 94, MRC Nagar,
Mandaveli,
Chennai – 600 028

Dear Sirs,

1. We have examined the Restated Consolidated Summary Statements of Matrimony.com Limited (Formerly referred to as “Consim Info Private Limited” or “Matrimony.com Private Limited”) (the “Company”) and its subsidiaries (together referred to as the “Group”), as at March 31, 2015, 2014, 2013, 2012 and 2011 and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 annexed to this report for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (“IPO”). The Restated Consolidated Summary Statements, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:
 - (i) sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (‘the Act’) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014 and
 - (ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
2. We have examined such Restated Consolidated Summary Statements taking into consideration:
 - (i) the terms of our engagement agreed with you vide our engagement letter dated October 17, 2014 and amendments thereto, requesting us to carry out work on such financial information, proposed to be included in the offer document of the Company in connection with its proposed IPO; and
 - (ii) the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.
3. The Company proposes to make an IPO of its equity shares of Rs. 5 each at such premium, arrived at by book building process (referred to as the “Issue”), as may be decided by the Company’s Board of Directors.
4. The Restated Consolidated Summary Statements has been compiled by the management from:
 - (i) the audited consolidated financial statements of the Group as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 prepared in accordance with accounting principles generally accepted in India, which have been approved by the Board of Directors on August 5, 2015 and audited by us.
 - (ii) Read with the para above, we have issued auditors’ opinion dated August 5, 2015 on the consolidated financial statements of the Group as at and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 respectively. The Company has also provided us with the other financial and other records of the Group in relation to the year ended March 31, 2011, to the extent considered necessary, for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Companies Act, 2013.
 - (iii) Those consolidated financial statements included information in relation to the Company’s subsidiaries as listed below:

Name of the entity	Relationship	Period covered
Matchify Services Private Limited (formerly known as Matchify.in Private Limited)	Subsidiary	Year ended March 31, 2015
Tambulya Online Marketplace Private	Subsidiary	Year ended March 31, 2015

Name of the entity	Relationship	Period covered
Limited		
Consim Info USA Inc., USA	Subsidiary	Years ended March 31, 2015, 2014, 2013, 2012 and 2011
Community Matrimony Private Limited	Subsidiary	Years ended March 31, 2015, 2014, 2013, 2012 and 2011
Bharat Matrimony LLC., Dubai	Subsidiary	Years ended March 31, 2015, 2014, 2013, 2012 and 2011
Sys India Private Limited	Subsidiary	Years ended March 31, 2015, 2014, 2013, 2012 and 2011
Consim Direct Holdings Cyprus Limited, Cyprus	Subsidiary	Years ended March 31, 2015, 2014 and 2013
MatrimonyGifts Wholesale India Private Limited	Subsidiary	Years ended March 31, 2015, 2014, 2013 and 2012
Consim Direct Inc., Nevis	Subsidiary	Years ended March 31, 2013, 2012 and 2011
Perspi Interactive Private Limited	Subsidiary	Years ended March 31, 2013, 2012 and 2011
Infonauts Inc., USA	Subsidiary	Years ended March 31, 2013, 2012 and 2011

5. As indicated in our auditor's report on consolidated financial statements as at and for the years ended March 2015, 2014, 2013, 2012 and 2011, the consolidated financial statements for those years included the following amounts relating to subsidiaries, whose financial statements were audited by other auditors, which have been relied upon by us and our opinions, in so far as it relates to the amounts related to the such subsidiaries as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 included in these Restated Consolidated Summary Statements, are based solely on the reports of the other auditors.

(Rs. in million)			
As at and for the year ended	Total Assets	Total revenue	Cash Inflow / (Outflow)
March 31, 2015	29.80	24.05	1.05
March 31, 2014	45.02	15.41	(5.20)
March 31, 2013	29.66	3.54	0.27
March 31, 2012	22.53	4.62	(0.41)
March 31, 2011	27.95	4.09	3.65

6. In accordance with the requirements of sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Regulations and terms of our engagement agreed with you, we report that, read with paragraphs 4 and 5 above, we have examined the Restated Consolidated Summary Statements as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 as set out in Annexures I to III.
7. Based on our examination, the audited consolidated financial statements of the Group for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 and the reliance placed on the reports of the auditors of the subsidiaries not audited by us referred to in paragraph 5 above, we further report that:
- The Restated Consolidated Summary Statements have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure IV B to this report;
 - The impact arising on account of the change in accounting policy adopted by the Group as at and for the year ended March 31, 2015 as described in Annexure IV B is applied with retrospective effect in the Restated Consolidated Summary Statements;
 - Adjustments for the material amounts and material disclosures in the respective financial years to which they relate have been adjusted in the attached Restated Consolidated Summary Statements;
 - There are no items of extra-ordinary nature that need to be disclosed separately in the Restated Consolidated Summary Statements;
 - There are no qualifications in the auditors' reports on the consolidated financial statements of the Group as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 which require any adjustments to the Restated Consolidated Summary Statements; and
 - Other audit qualifications included in the Annexure to the Auditor's report on Companies (Auditor's Report) Order, 2015 for the financial years ended March 31, 2015 which do not require any corrective adjustment in the financial information, are as follows:-
 - Clause (viii)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has not incurred cash losses in the current year. In the immediately preceding financial year, the Company has incurred cash loss.

8. We have not audited or reviewed any consolidated financial statements of the Group as of any date or for any period subsequent to March 31, 2015. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to March 31, 2015.

Other Financial Information:

9. At the Company's request, we have also examined the following consolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011:
- (i) Restated Consolidated Statement of Share Capital, enclosed as Annexure V
 - (ii) Restated Consolidated Statement of Reserves and Surplus, enclosed as Annexure VI
 - (iii) Restated Consolidated Statement of Long-term and Short-term Borrowings, enclosed as Annexure VII
 - (iv) Restated Consolidated Statement of Other Long- term Liabilities and Long-term Provisions, enclosed as Annexure VIII
 - (v) Restated Consolidated Statement of Trade Payables, Other Current Liabilities and Short-term Provisions, enclosed as Annexure IX
 - (vi) Restated Consolidated Statement of Non-Current Investments, enclosed as Annexure X
 - (vii) Restated Consolidated Statement of Long-term Loans and Advances, enclosed as Annexure XI
 - (viii) Restated Consolidated Statement of Trade Receivables (net of provision for doubtful receivables), enclosed as Annexure XII
 - (ix) Restated Consolidated Statement of Cash and Bank Balances, enclosed as Annexure XIII
 - (x) Restated Consolidated Statement of Short-term Loans and Advances and Other Current Assets, enclosed as Annexure XIV
 - (xi) Restated Consolidated Statement of Other Income, enclosed as Annexure XV
 - (xii) Restated Consolidated Statement of Operating Expenses, enclosed as Annexure XVI
 - (xiii) Restated Consolidated Statement of Exceptional Items, enclosed as Annexure XVII
 - (xiv) Capitalisation Statement, enclosed as Annexure XVIII
 - (xv) Restated Consolidated Statement of Accounting Ratios, enclosed as Annexure XIX
 - (xvi) Restated Consolidated Statement of Related Party Transactions, enclosed as Annexure XX
 - (xvii) Restated Consolidated Statement of Segment Information, enclosed as Annexure XXI
 - (xviii) Statement of Dividend Paid, enclosed as Annexure XXII
10. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexure IV A, and after making adjustments and regroupings as considered appropriate and disclosed in Annexure IV B, have been prepared in accordance with the relevant provisions of the Act and the Regulations.
11. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed Initial Public Offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

Shankar Srinivasan
Partner

Membership No: 213271
Place: Hyderabad
Date: August 11, 2015

Matrimony.com Limited
Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities

(All amounts are in INR million unless otherwise stated)

	Particulars	Annexure No.	As at				
			31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
	Equity and liabilities						
A	Shareholders' funds						
	Share capital	V	91.93	59.38	59.38	59.38	0.76
	Reserves and surplus	VI	(101.23)	(81.28)	10.31	(89.56)	6.92
			(9.30)	(21.90)	69.69	(30.18)	7.68
B	Minority Interest		2.49	2.24	2.00	1.75	1.60
C	Non-current liabilities						
	Long term borrowings	VII (A)	5.02	-	-	-	-
	Other long term liabilities	VIII (A)	34.82	52.44	0.25	0.06	0.11
	Long term provisions	VIII (B)	15.01	12.29	11.10	9.12	6.30
			54.85	64.73	11.35	9.18	6.41
D	Current liabilities						
	Short-term borrowings	VII (B)	267.27	148.13	254.98	87.93	23.96
	Trade payables	IX (A)	226.49	229.82	194.90	248.09	159.60
	Other current liabilities	IX (B)	443.20	381.97	318.16	297.21	201.63
	Short term provisions	IX (C)	46.90	25.77	51.89	49.20	41.77
			983.86	785.69	819.93	682.43	426.96
	Total Equity and liabilities (A+B+C+D)		1,031.90	830.76	902.97	663.18	442.65
	Assets						
E	Non-current assets						
	Fixed assets						
	Tangible assets		162.28	158.39	152.22	121.46	83.55
	Intangible assets		74.45	34.61	24.64	29.58	6.00
	Intangible assets under development		2.87	43.14	2.26	2.41	0.65
	Goodwill		0.39	0.39	0.39	0.39	0.39
	Non-current investments	X	-	0.30	0.30	-	-
	Long term loans and advances	XI	123.63	145.91	137.52	101.01	75.96
			363.62	382.74	317.33	254.85	166.55
F	Current assets						
	Inventory		-	3.85	1.28	0.33	-
	Trade receivables	XII	10.20	15.52	13.15	21.44	22.59
	Cash and bank balances	XIII	531.24	373.04	318.29	335.47	227.39
	Short term loans and advances	XIV (A)	92.11	51.87	249.45	41.75	25.96
	Other current assets	XIV (B)	34.73	3.74	3.47	9.34	0.16
			668.28	448.02	585.64	408.33	276.10
	Total Assets (E+F)		1031.90	830.76	902.97	663.18	442.65

Matrimony.com Limited
Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities (continued)
Note:

1) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV A & IV B.

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No.: 101049W

Chartered Accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Matrimony.com Limited
Annexure II - Restated Consolidated Summary Statement of Profits and Losses

(All amounts are in INR million unless otherwise stated)

Particulars	Annexure No.	Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Income from continuing operations						
Revenue from operations						
Matchmaking services		2,319.91	1,988.55	1,873.22	1,459.51	1,009.02
Marriage services		73.50	50.74	9.93	-	-
Sale of products – return gifts		20.71	15.09	2.92	0.37	-
Other services		-	-	-	4.25	3.76
Other income	XV	14.29	18.76	1.76	3.26	4.90
Total revenue		2,428.41	2,073.14	1,887.83	1,467.39	1,017.68
Expenses						
Purchase of traded goods		15.10	12.78	3.40	0.52	-
Increase / (decrease) in inventories of traded goods		3.85	(2.57)	(0.95)	(0.33)	-
Employee benefit expenses	XVI (A)	1,059.28	878.89	750.91	541.59	358.76
Advertisement and business promotion expenses	XVI (B)	532.52	481.38	462.40	459.16	365.42
Other expenses	XVI (C)	639.58	572.20	510.08	376.27	252.74
Total expenses		2,250.33	1,942.68	1,725.84	1,377.21	976.92
Restated earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA)		178.08	130.46	161.99	90.18	40.76
Depreciation and amortisation expense		81.67	56.36	64.69	38.40	20.88
Finance cost		15.71	8.22	14.01	2.91	17.82
Finance income		(32.14)	(31.78)	(39.66)	(21.28)	(3.11)
Restated earnings before exceptional items, tax and minority interest from continuing operations		112.84	97.66	122.95	70.15	5.17
Less: Exceptional items	XVII	141.78	188.97	18.58	(1.00)	-
Restated profit / (loss) before tax and minority interest from continuing operations		(28.94)	(91.31)	104.37	71.15	5.17

Matrimony.com Limited

Annexure II - Restated Consolidated Summary Statement of Profits and Losses (continued)

Particulars	Annexure No.	Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Tax expense						
Current tax		0.10	0.04	0.02	0.06	0.07
Total tax expense		0.10	0.04	0.02	0.06	0.07
Restated profit / (loss) before minority interest from continuing operations (A)		(29.04)	(91.35)	104.35	71.09	5.10
Discontinuing operations						
Restated loss before tax from discontinuing operations		-	-	-	(108.80)	(21.72)
Tax expense relating to discontinuing operations		-	-	-	-	-
Restated loss after tax from discontinuing operations before minority interest (B)		-	-	-	(108.80)	(21.72)
Minority interest		0.25	0.24	0.25	0.15	0.09
Restated profit / (loss) for the year (A+B)		(29.29)	(91.59)	104.10	(37.86)	(16.71)

Note:

1) The above statement should be read with the notes to restated Consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV A and IV B.

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No.: 101049W

Chartered Accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Matrimony.com Limited
Annexure III - Restated Consolidated Summary Statement of Cash Flows

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES					
Net profit before taxation from continuing operations before exceptional items (as restated)	112.84	97.66	122.95	70.15	5.17
Net loss before taxation from discontinued operations (as restated)	-	-	-	(108.80)	(21.72)
Adjustments to reconcile profit / (loss) before tax to net cash flows					
Depreciation and amortisation	81.67	56.36	64.69	38.94	22.41
Loss on disposal of fixed assets (net)	9.71	8.09	5.31	6.60	-
Provision for doubtful debts and advances	10.14	1.05	0.38	13.00	7.68
Unrealised foreign exchange loss (net)	(1.50)	(3.88)	0.18	0.30	0.59
Profit on sale of non-current investments (net) (refer Annexure XVII)	(4.46)	-	(13.07)	(1.00)	-
Provision for EPF litigation (refer Note 4 in Annexure IX)	16.29	-	-	-	-
Liabilities no longer required written back	(1.05)	(5.90)	(0.56)	(2.34)	(4.35)
Interest expense	14.49	7.07	12.71	1.19	1.15
Interest income	(32.14)	(31.78)	(39.66)	(21.28)	(3.11)
Operating profit / (loss) before working capital changes (as restated)	205.99	128.67	152.93	(3.24)	7.82
Movement in working capital					
(Increase)/decrease in Trade receivables	(4.83)	(2.48)	8.35	(11.00)	(10.02)
(Increase)/decrease in Long term loans and advances	25.12	3.51	(43.11)	(20.09)	(26.78)
(Increase)/decrease in Short term loans and advances	(37.68)	(14.51)	(10.34)	(15.80)	(1.16)
(increase)/decrease in Inventories	3.85	(2.57)	(0.95)	(0.33)	-
(Increase)/decrease in Other current assets	(16.69)	(0.26)	4.21	(4.21)	-
Increase/(decrease) in Trade payables	(0.87)	53.42	(40.02)	83.72	44.41
Increase/(decrease) in Long / short term provisions	23.84	(24.92)	7.03	10.26	9.47
Increase/(decrease) in Other current liabilities	20.93	69.17	39.37	95.58	60.49
Increase/(decrease) in Other non-current liabilities	11.23	(0.10)	0.19	(0.04)	(0.05)
Cash flow from operations	230.89	209.93	117.66	134.85	84.18
Income taxes paid (net of refunds)	(2.93)	(8.72)	5.65	(3.39)	(2.70)
Net cash generated from operating activities before exceptional items	227.96	201.21	123.31	131.46	81.48
Cash flow from / (used in) Exceptional items	(144.62)	(153.06)	(18.60)	1.00	-
Net cash generated from operating activities (A)	83.34	48.15	104.71	132.46	81.48

Matrimony.com Limited
Annexure III - Restated Consolidated Summary Statement of Cash Flows (continued)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES					
Purchase of fixed assets including intangible assets, and capital advances	(102.67)	(123.25)	(102.10)	(103.29)	(61.19)
Investment in redeemable preference shares	-	(50.00)	-	-	-
Redemption of redeemable preference shares	-	50.84	-	-	-
Proceeds from sale of fixed assets	2.23	1.51	0.42	1.23	0.03
Proceeds from sale of non-current investments / disposal of subsidiaries	2.20	-	0.14	1.07	-
Interest received	17.84	28.38	37.34	14.18	4.82
Investment in bank deposits (with maturity more than three months)	(67.90)	(53.54)	3.48	(99.93)	(144.64)
Net cash used in investing activities (B)	(148.30)	(146.06)	(60.72)	(186.74)	(200.98)
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES					
Proceeds from issue of share capital	42.77	-	-	-	134.19
Advance (given) / repaid (to) by enterprises in which directors are interested	-	211.25	(211.25)	-	-
Proceeds from long-term borrowings (net)	8.21	-	-	-	-
Proceeds / (repayment) short-term borrowings (net)	115.94	(106.85)	167.05	63.97	(8.28)
Interest paid	(14.49)	(7.07)	(12.71)	(1.19)	(1.15)
Net cash generated from / (used in) financing activities (C)	152.43	97.33	(56.91)	62.78	124.76
Net increase / (decrease) in cash and cash equivalents (A+B+C)	87.47	(0.58)	(12.92)	8.50	5.27
Effect of exchange differences on Cash & Cash Equivalents held in foreign currency	2.84	1.79	0.17	(0.35)	-
Cash and Cash Equivalents at the beginning of the year	22.42	21.21	34.91	26.76	21.49
Cash and Cash Equivalents transferred pursuant to demerger (Refer Note 9 of Annexure IV A)	-	-	(0.95)	-	-
Cash and cash equivalents at the end of the year	112.73	22.42	21.21	34.91	26.76

Matrimony.com Limited**Annexure III - Restated Consolidated Summary Statement of Cash Flows (continued)**

Components of Cash and Cash Equivalents	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Cash on hand	5.86	5.25	3.47	3.13	2.63
Cheques on hand	3.61	3.56	1.58	1.37	1.16
Deposits with original maturity of less than three months	30.00	-	-	-	-
Balances with banks on current accounts	73.26	13.61	16.16	30.41	22.97
Total	112.73	22.42	21.21	34.91	26.76

Note:

1) The above statement should be read with the notes to restated Consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No.: 101049W

Chartered Accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Matrimony.com Limited

Annexure IV A - Notes to restated consolidated financial statements

Notes to the restated consolidated summary statement of assets and liabilities, profit and losses and cash flows for the year ended March 31, 2015, 2014, 2013, 2012 and 2011:

1 Background

Matrimony.com Limited ("the Company") offers online matchmaking services on internet and mobile platforms. The Company delivers matchmaking services to users in India and the Indian diaspora through websites, mobile sites and mobile apps complemented by a wide on-the-ground network in India. Such services are primarily delivered online through popular domain specific web portals like BharatMatrimony.com, CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com. Revenue comprises of membership subscription, assisted matrimonial service fees and sales from online advertising packages. The Company has expanded into marriage services such as MatrimonyDirectory.com, a listing website for matrimony-related directory services including listings for wedding related services such as wedding planners, venues, cards and caterers. The Company has also recently introduced MatrimonyPhotography.com to provide wedding photography and videography services.

Up to the year ended March 31, 2012, the Company also had a division which provided property listing and advisory services, which was demerged pursuant to the Court order with effect from April 1, 2012. The matrimonial services have been reported as continuing operations and the property listing and advisory services business has been reported as discontinuing operations in these restated consolidated financial statements. The company changed its name from "Consim Info Private Limited" to "Matrimony.com Private Limited" with effect from August 17, 2012.

At the extra-ordinary general meeting of the shareholders held on December 2, 2014, the shareholders approved the conversion of the Company from Private limited Company to a Public limited Company, and approved the change in the name of the Company from Matrimony.com Private Limited to Matrimony.com Limited. The Company received a certificate of change in name from the Registrar of Companies on January 2, 2015.

2 Basis of preparation

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and the related Restated Consolidated Summary Statement of Profits and Losses and the Restated Consolidated Summary Statement of Cash Flows for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and annexures thereto (herein collectively referred to as "Restated Consolidated Summary Statements") have been compiled by the management from the then audited consolidated financial statements of the Company for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011.

The audited consolidated financial statements of the Company were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared the audited consolidated financial statements to comply in all material respects with the accounting standards specified under the Companies Act, 1956 (the "Act") and (as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The audited consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used for the purpose of preparation of financial statements as at and for the year ended March 31, 2015, except for changes in accounting policies detailed in 3.14 "Segment Reporting" section in significant accounting policies.

The Restated Consolidated Summary Statements have been prepared to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the relevant provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

These Statements and Other Financial Information have been prepared after incorporating adjustments for the material amounts in the respective years / period to which they relate. There are no changes in accounting policies (except change in accounting policy detailed in 3.14 "Segment Reporting" section in significant accounting policies), incorrect accounting policies or auditors' qualification which require adjustment.

2.1 Principles of Consolidation

The Restated Consolidated Summary Statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements under Accounting Standard 21, “Consolidated Financial Statements”. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together book values of all items of assets, liabilities, incomes and expenses after eliminating all intercompany balances / transactions and resulting unrealized gain / loss. The subsidiaries are consolidated from acquisition date till the date they cease to become a subsidiary. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity subsequent to the date of investments as stated. The Restated consolidated financial statements have been prepared using uniform policies for like transactions and other events in similar circumstances.

The excess of cost to the Company of its investments in subsidiaries over its proportionate share in equity of the investee company as at the date of acquisition, is recognised in the consolidated financial statements as goodwill, when the cost to the Company of its investment in the subsidiary is less than the Company's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, the difference is accounted as capital reserve. In case of acquisition of additional stake in the existing subsidiary, the excess purchase consideration over the Company's portion of equity of the subsidiary on the date on which the additional investment is made is treated as goodwill.

The Restated consolidated summary statements includes the financial information of Matrimony.com Limited and its following subsidiaries:

Name of the entity	Country of Incorporation	Ownership Interest*	From Date	To Date
Bharat Matrimony LLC (also refer note 4(j))	UAE	49.00%	13-Jun-06	Till date
Infonauts Inc.	USA	100%	16-Jun-06	31-Mar-13
Perspi Interactive Private Limited	India	99.99%	17-Apr-09	27-Apr-12
Community Matrimony Private Limited	India	99.99%	02-Jul-09	Till date
Sys India Private Limited	India	99.99%	18-May-10	Till date
Consim Info USA Inc.	USA	100%	19-May-10	Till date
Consim Direct Inc.	Island of Nevis	100%	07-Dec-10	06-Dec-12
MatrimonyGifts Wholesale India Private Limited	India	99.99%	12-Sep-11	29-Dec-14
Consim Direct Holdings Cyprus Limited	Cyprus	100%	10-Oct-12	29-Dec-14
Matchify Services Private Limited	India	99.99%	12-Nov-14	Till date
Tambulya Online Market Place Private Limited	India	99.99%	22-Jan-15	Till date

*Ownership interest remains same throughout the period mentioned above in the table, except for "Perspi Interactive Private Limited", refer note 4 for the details of subsidiaries.

The Company together with its subsidiaries are hereinafter collectively referred as the “Group”.

The Revenue and expenses of the integral foreign subsidiaries are translated into Indian rupees using monthly average exchange rates. At the end of the year, foreign currency monetary items are reported using the closing rate and non-monetary items are reported using the exchange rate at the date of transaction. Any exchange difference arising on consolidation is recognised in the statement of profit and loss.

3 Summary of significant accounting policies

3.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.2 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

3.3 Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight line basis using the rates arrived at based on the useful lives estimated by management. Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV to the Companies Act, 1956 were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. From the year March 31, 2015, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013, which prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Category of assets	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Furniture and fixtures	2-5	2-5	2-5	16	16
Computer and Network Equipment	4-6	6	6	6	6
Vehicles	5	5	5	10.5	10.5
Plant & Machinery	5	5	NA	NA	NA
Office Equipment	2-7	2-7	2-7	3-21	3-21

During the year ended March 31, 2013, the Company revised the estimated useful life of furniture and fixtures, office equipment, vehicles and leasehold improvements, which has resulted in additional charge of depreciation amounting to Rs. 12.66 million in that year. Further, during the year ended March 31, 2015, the company revised the estimated useful lives of Computers and Network Equipment which has resulted in additional charge of depreciation amounting to Rs. 9.05 million in that year. These changes are considered as a change in the estimates and consequently no retrospective adjustments have been made.

Wherever the Company has applied useful lives different from Schedule II of the Companies Act, 2013, adequate internal assessment and technical evaluation has been performed.

Leasehold improvements are amortized over the primary period of lease or 7 years, whichever is lesser.

3.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Acquired domain names are amortized on straight line basis over the period of rights, ranging between 1 to 10 years.

Expenses incurred on first time development of online portals are capitalised as “Portal Development” and are amortized on straight line basis over a period of 3 years.

Computer software is depreciated using the straight-line method over a period based on management’s estimate of useful lives of such software (3 years), or over the license period of the software, whichever is shorter.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

3.5 Leases

Where the company is lessee

Leases, where the lessor effectively retains, substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

3.6 Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount, as the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value at the pre-tax discount rate reflecting current market assessment of time value of money and risks specific to asset. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

3.7 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

3.8 Inventories

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Cost is determined on the basis of weighted average cost method.

3.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Income from services

Revenue from subscriptions towards matrimony service contracts are recognised pro-rata over the period of the contract as and when services are rendered.

Revenue from photography service contracts are recognized on the basis of proportionate completion method where the revenue is recognised proportionately with the degree of completion of services.

The Group collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Income from sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

3.10 Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

The revenue transactions of the integral operations are recorded at weighted average monthly rates for practical rates for practical purpose where such rates approximate the exchange rate at the date of transactions.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on translation/ settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise.

(iv) Translation of integral foreign operations

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Group itself. The resulting difference on account of translations is recorded in the statement of profit and loss.

3.11 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund administered by the Government of India. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Retirement benefit in the form of gratuity is a defined benefit scheme. The costs of providing benefit under this plan are determined on the basis of actuarial valuation at each year-end, using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided based on the actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

3.12 Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax

assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income-tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the "Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement.

3.13 Employee stock compensation cost

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

3.14 Segment reporting

Change in accounting policy

Identification of Segments

In accordance with the Accounting Standard - 17- "Segment reporting" notified by Companies (Accounting Standard) Rules, 2014, the Company presented its segmental information adopting business segment as the primary reporting format and geographical segment as the secondary reporting format.

Till the previous year ended March 31, 2014, the Company has presented its entire business as a single segment.

During the year ended March 31, 2015, in view of certain new products launched by the company and based on the internal structure and evaluation of risks and rewards of the various section of the business, the company has identified three business segments viz. "Matchmaking Services", "Marriage services and related sale of products" and "Others" segments as the primary reportable segments.

The segment disclosure for the earlier years have also been prepared and disclosed in accordance with the revised segment policy in these Restated Consolidated Summary Statements.

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment on a reasonable basis.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

3.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.16 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

3.17 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

3.18 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of not more than three months.

3.19 Measurement of EBITDA

As permitted by Schedule III of Companies Act, 2013 (erstwhile Revised Schedule VI to the Companies Act, 1956), the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs, finance income and tax expense.

4 Information about subsidiaries

a Perspi Interactive Private Limited

Perspi Interactive Private Limited was engaged in the business of owning and operating a portal namely, Clickjobs.com, which provides job related services online.

Pursuant to a share purchase and share holders' agreement dated March 21, 2012 entered into with certain buyers, the Company disposed off 67,700 equity shares out of 367,700 equity shares in Perspi Interactive Private Limited ("Perspi") to such buyers for a consideration of Rs. 1.07 million. The profit earned on this transaction is Rs. 1.00 million. For the year ended March 31, 2012, the share of the minority interest representing 67,700 shares (18.41%) mentioned above is a deficit of Rs. 2.49 million. As per the Accounting Standard 21 – Consolidated Financial Statements, the losses pertaining to the minority interest in Perspi has been restricted to their interest in the equity and the excess has been borne by Matrimony.com Limited. Consequently, the balance of minority interest in the balance sheet is Nil.

On April 27, 2012, consequent to the additional investment made by the buyers in Perspi, the shareholding of the Company in Perspi has reduced from 81.59% in March 2012 to 24.00%. Accordingly, it ceased to be a wholly owned subsidiary and the excess of liabilities over assets of Rs. 14.30 million has been considered as a deemed profit on disposal of subsidiary. Further vide share purchase agreement dated September 1, 2014, the company disposed off the remaining 300,000 equity shares in Perspi and the profit earned on account of such disposal is Rs. 4.00 million.

b Consim Direct Inc., Nevis

Consim Direct Inc., Nevis was incorporated to act as a collection agent to Matrimony.com Limited. The Company filed its Articles of Dissolution with the Registrar of Companies of Island of Nevis and dissolved on December 6, 2012 (the necessary formalities relating to it were completed).

c Infonauts Inc, USA

Infonauts Inc, USA was in the business of providing marketing and administrative services to Matrimony.com Limited in respect of non-resident Indian markets worldwide through its USA office. During the year ended March 31, 2013, the Company transferred its entire holding in Infonauts Inc, USA to the promoter of the Company.

d Consim Direct Holdings Cyprus Limited

Consim Direct Holdings Cyprus Limited was incorporated to act as a collection agent to Matrimony.com Limited. On November 26, 2014, the Board of Directors of Matrimony.com Limited passed a resolution to dissolve Consim Direct Holdings Cyprus Limited and applied for its dissolution with Registrar of Companies, Republic of Cyprus on December 29, 2014.

e MatrimonyGifts Wholesale India Private Limited

MatrimonyGifts Wholesale India Private Limited was engaged in the business of trading in marriage related gift articles.

In December 2014, the Company entered into a sale agreement with certain buyers to sell the entire investment held in MatrimonyGifts Wholesale India Private Limited for a consideration of Rs. 0.20 million. As per the sale agreement, the applications before the Registrar of Trademarks for registration of label / word mark "Tambulya" shall rest with Matrimony.com Limited. The Board of directors has approved the sale vide resolution dated December 30, 2014. Consequent to this, the Company has recorded a profit of Rs. 0.46 million and the same has been classified as an "exceptional item" in the statement of profit and loss being non-routine in nature.

The details of the transactions are as below: (in INR million)

Particulars	Year ended March 31, 2015
Net worth	(0.26)
Sale consideration received	0.20
Profit on sale of Subsidiary	0.46

f Community Matrimony Private Limited

Community Matrimony Private Limited was incorporated on May 2, 2009 and engaged in the business of providing online advertising services to Matrimony.com Limited.

g Sys India Private Limited

Sys India Private Limited was incorporated on May 18, 2010 and engaged in the business of providing advertising services in print media to Matrimony.com Limited.

h Matchify Services Private Limited (formerly known as Matchify.in Private Limited)

Matchify.in Private Limited was incorporated on November 12, 2014. Subsequently the name of the company changed to Matchify Services Private Limited on December 29, 2014. Matchify Services Private Limited focuses on the rapidly-growing mobile dating space in India and seeks to find users a match closer to their location and interest.

i Tambulya Online Marketplace Private Limited

Tambulya Online Marketplace Private Limited was incorporated on January 22, 2015 and engaged in the business of providing a platform, technology and/or other mechanism/services through websites for all types of commerce whether by and between businesses, by and between individual consumers, or by and between businesses and individual consumers.

j BharatMatrimony LLC

Bharat Matrimony LLC, Dubai ("BM LLC") is in the business of providing marketing and administrative services to Matrimony.com Limited in respect of the non-resident Indian market in the Gulf countries. The Company holds 49% of the equity in BM LLC and under the terms of the Memorandum of Association of BM LLC, the Company is entitled to 80% of the profits / losses. BM LLC has been consolidated as a subsidiary as the Company has substantive control over its operations.

k Consim Info USA Inc

Consim Info USA Inc was incorporated on May 19, 2010 under New Jersey state law. and engaged in the business of providing marketing and administrative services to Matrimony.com Limited in respect of non-resident Indian markets worldwide through its USA office.

5 Employee benefits

The Group has a defined benefit gratuity plan aligned with Payment of Gratuity Act, 1972, in India and as per the local regulations in Dubai. In India, every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 1.00 million. The plan assets are in the form of corporate bonds in the Company's name with Reliance Life Insurance in India.

Statement of profit and loss

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Current service cost	4.93	4.72	5.71	4.22	4.37
Interest cost	1.25	1.18	1.05	0.76	0.51
Expected return on plan assets	(0.04)	(0.03)	(0.01)	-	-
Past service cost	-	-	-	-	0.92
Net actuarial loss	2.48	1.54	0.20	(0.84)	(1.00)
Net employee benefit expense	8.62	7.41	6.95	4.14	4.80

Note: The gratuity cost amounting to Rs. 0.37 million relating to the demerged business for the year ended March 31, 2012 have been considered as a part of the employee benefits expense of the discontinued operation.

Balance sheet

Details of provision for gratuity

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Defined benefit obligation	28.14	22.61	19.49	15.56	11.78
Fair value of plan assets	1.03	0.42	0.24	0.06	0.36
Net liability recognised in the Balance Sheet	27.11	22.19	19.25	15.50	11.42
Experience adjustments on plan liabilities - (loss) / gain	(3.07)	(1.75)	1.75	(4.27)	0.60
Experience adjustments on plan assets - (loss) / gain	-	(0.01)	0.03	0.01	-

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Opening defined benefit obligation	22.61	19.49	15.56	11.78	7.33
Liability transferred on account of demerger.	-	-	(1.89)	-	-
Current service cost	4.93	4.72	5.71	4.22	4.37
Interest cost	1.25	1.18	1.05	0.76	0.51
Actuarial (gains) / losses	2.48	1.53	0.23	(0.83)	(1.00)
Past service cost	-	-	-	-	0.92
Benefits paid	(3.14)	(4.31)	(1.17)	(0.37)	(0.35)
Closing defined benefit obligation	28.13	22.61	19.49	15.56	11.78

Changes in the fair value of plan assets are as follows:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Opening fair value of plan assets	0.43	0.24	0.06	0.36	-
Expected return on plan assets	0.03	0.03	0.01	-	-
Contributions	3.01	2.41	0.82	-	0.53
Actuarial gain / (loss)	-	(0.01)	0.03	0.01	-
Benefits paid	(2.45)	(2.24)	(0.68)	(0.31)	(0.17)
Closing fair value of plan assets	1.02	0.43	0.24	0.06	0.36
Actuarial return on plan assets	0.05	0.02	0.04	0.01	-

Actuarial assumptions

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Discount rate	7.80%	8.50%	7.70%	8.10%	7.67%
Expected return on plan assets	8.00%	8.00%	8.00%	8.00%	0.00%
Salary escalation	8.00%	10.00%	10.00%	10.00%	10.00%
Attrition	60.00%	60.00%	60.00%	60.00%	30.00%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Expected contribution for the year ended March 31, 2016 is Rs. 12.10 million.

6 Operating Lease

Office premises (including retail outlets' premises) are obtained under operating leases. The lease rentals incurred during the year have been charged as expenses in the Statement of Profit and Loss, the details of which are given below. The lease term varies between 3 years to 9 years. The future lease rental payables as follows:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Lease payments recognised for the year	189.51	180.60	167.00	103.89	72.46
Future lease payments:					
Not later than one year	151.82	161.69	108.83	101.56	23.34
Later than one year but not later than five years	278.70	308.81	259.79	337.32	2.22
Later than five years	17.58	19.83	33.33	64.63	-

7 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Principal amount due to micro and small enterprises	-	-	-	-	-
Interest due on above	-	-	-	-	-
Total	-	-	-	-	-

The information regarding micro or small enterprise has been determined on the basis of information available with the management.

8 Employee Stock Option Scheme

- 8.1 On October 13, 2010, the Board of Directors approved the Employee Stock Option Scheme for providing stock options to its employees ("ESOS 2010"). The said scheme has been subsequently amended and renamed as Employee Stock Option Scheme 2014 ("ESOS 2014" or "Scheme") vide resolution passed in the Board Meeting dated April 7, 2014. The Scheme has also been approved by Extra-Ordinary General Meeting of the members of the Company held on November 19, 2010 and April 11, 2014, noting the approval accorded to the original Scheme and the subsequent amendments respectively. The Scheme is administered by the Nomination and Remuneration Committee of the Board. The details of Scheme are given below:

Exercise Period:

As per the Scheme, the options can be exercised within a 5 years from the date of vesting.

Details of grants under ESOS 2014:

Grant	Date of Grant	Number of options granted*	Vesting period	Manner of vesting
Grant 1 & 2	13-Oct-10	3,236	13-Oct-2010 to 13-Oct-2011	Eligible on a graded manner over a two year period with 75% of the grants vesting immediately on the date of the grant and the balance 25% of the grant at the end of one year from the date of grant.
Grant 3, 4, 5 & 6	14-Apr-14	381,772	14-Apr-2014 to 14-Oct-2018	Eligible on a graded manner over four years and six months period with 30% of the grants vesting at the end of 12-30 months from the date of grant. The remaining 30% and 40% of the grants vest at the end of 24-42 months from the date of grant and 36-54 months from the date of grant respectively.
Grant 7 & 8	25-Sep-14	26,531	25-Sep-14 to 01-Oct-2018	Eligible on a graded manner over four years period with 30% of the grants vesting at the end of 18-24 months from the date of grant. The remaining 30% and 40% of the grants vest at the end of 30-36 months from the date of grant and 42-48 months from the date of grant respectively.

8.2 Activity in the options outstanding under ESOS 2014

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Options outstanding at the beginning of the year	84,136	84,136	84,136	3,236	-
Options granted during the year	408,303	-	-	-	3,236
Increase on account of Bonus (Refer note 5.3, 5.8 and 5.9 in Annexure V for details)	346,784	-	-	249,172	-
Adjustments on account of consolidation of shares (Refer note 5.4 in Annexure V for details)	-	-	-	(168,272)	-
Options exercised during the year	(116,528)	-	-	-	-
Options outstanding at the end of the year	722,695	84,136	84,136	84,136	3,236
Vested at the end of the year	-	84,136	84,136	84,136	2,427
Options exercisable at the end of the year	-	84,136	84,136	84,136	2,427

The weighted average share price at the date of exercise of the options was Rs. 109.75/- (face value Rs. 3/- per share).

8.3 Details of Exercise price and Remaining contractual life of options outstanding:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Exercise price per option (Rs.) (Refer note below)	62.00	58.65	58.65	58.65	58.65
Remaining contractual life of options (in years)	5.04 to 6.51	2.34	3.34	4.34	5.34

Note:

Exercise price per option disclosed for the year ended March 31, 2011, 2012, 2013 and 2014 is after considering adjustments for bonus issues and the consolidation of shares effected during the years ended March 31, 2012 and March 2015 mentioned in note 5.3, 5.4, 5.8 and 5.9 in Annexure V.

Exercise price per option disclosed for the year ended March 31, 2015 is after considering adjustments for bonus issues effected during the year ended March 31, 2015 mentioned in note 5.8 and 5.9 in Annexure V.

8.4 Fair value methodology

The Company has obtained fair valuation report from an independent valuer and the fair value is calculated using the Black Scholes model.

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Exercise price per option (Rs.)	62.00	-	-	-	58.65
Weighted average fair value per share	62.00	-	-	-	58.65
Weighted average fair value of options granted	50.00	-	-	-	10.89
Expected volatility	33.33% to 34.21%	-	-	-	0%
Life of the options granted (vesting and exercise period in years)	4 to 6.97 years	-	-	-	2.5 to 3.5 years
Average risk free interest rate	8.57% to 9.11%	-	-	-	7.47%
Expected dividend yield	0%	-	-	-	0%

Note:

Exercise price per option, weighted average fair value of options granted and weighted average fair value per share disclosed for the year ended March 31, 2011 has been adjusted for bonus issue and the consolidation of shares effected during the years ended March 31, 2012 and March 2015 mentioned in note 5.3, 5.4, 5.8 and 5.9 in Annexure V.

Exercise price per option, weighted average fair value of options granted and weighted average fair value per share disclosed for the year ended March 31, 2015 has been adjusted for bonus issues effected during the year ended March 31, 2015 mentioned in note 5.8 and 5.9 in Annexure V.

The Company has not issued any Grants under the Scheme in the financial years ended March 31, 2011, 2013 and 2014.

- 8.5 The Company follows the intrinsic value method for accounting the compensation cost. In accordance with Para 48 of the Guidance note on accounting for employee share based payments issued by Institute of Chartered Accountants of India, had the compensation cost for employee stock option plan been recognized based on the fair value at the date of grant in accordance with Black-Scholes model, the pro forma amounts of the Company's net profit and earnings per share would have been as follows:

Particulars	Granted during the year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Profit / (Loss) after tax from total operations					
- As reported	(29.29)	(91.59)	104.10	(37.86)	(16.71)
- Pro forma	(39.91)	(91.59)	104.10	(38.13)	(16.95)
Earnings per share in Rs.					
Basic					
- As reported	(1.21)	(3.84)	4.37	(1.59)	(0.70)
- Pro forma	(1.64)	(3.84)	4.37	(1.60)	(0.71)
Diluted					
- As reported	(1.21)	(3.84)	2.34	(1.59)	(0.70)
- Pro forma	(1.64)	(3.84)	2.34	(1.60)	(0.71)

During the financial years ended March 31, 2013 and 2014, no Grants were under vesting, accordingly the pro forma profit / loss for these years has no impact.

- 8.6 Subsequent to the year ended March 31, 2015, the Nomination & Remuneration committee has approved the grant of 80,000 stock options to qualifying employees on July 17, 2015 at an exercise price of Rs. 210/- per option. The revised number of options outstanding and the revised exercise price (as adjusted for the effect of consolidation of shares detailed in note 8.7 below) is 48,000 and Rs. 350/- per option.
- 8.7 Subsequent to March 31, 2015, the Board of Directors of the Company have, in their meeting held on August 5, 2015 approved the consolidation of the shares as follows - every 5 (Five) existing equity shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) equity shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) preference shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up. The revised number of options outstanding and the revised exercise price (as adjusted for the effect of consolidation of shares) as at March 31, 2015 is 433,617 and Rs. 103/- per option.

9 Discontinuing operation - Demerger of property marketing and advisory services business

During the year ended March 31, 2013, the shareholders of the Company approved a composite Scheme of Arrangement and Demerger ("the Demerger Scheme") between the Company and India Property Online Private Limited ("India Property") under which, the property listing and advisory services business ("Demerged Undertaking") of the Company was demerged, transferred to and vested in India Property with effect from April 1, 2012 ("Appointed Date"). The Demerger Scheme was sanctioned by the Hon'ble High Court of Judicature at Madras ("the Court") on February 15, 2013 and registered with the Registrar of Companies on March 1, 2013, thereby becoming effective and binding.

All assets and liabilities of the Demerged Undertaking as at April 1, 2012, were transferred to and vested in India Property on a going concern basis, at their respective book values. The excess of the assets over liabilities of the Demerged Undertaking aggregating to Rs. 4.23 million has been adjusted against Securities Premium account in accordance with the provision of the Demerger scheme. In consideration of the transfer of the Demerged Undertaking, the shareholders (equity and preference) of the Company were allotted 4,232,297 Equity shares of Re. 1/- each, credited as fully paid up in India Property, in the same proportion in which they held equity shares in the Company.

The loss attributable to the property listing and advisory services business (the discontinuing operations) net of related income tax expense has been disclosed separately in the Statement of Profit and Loss. The following statement shows the revenue and expenses of discontinuing operations:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Revenue	-	-	-	94.32	65.01
Expenses	-	-	-	203.12	86.73
Profit before tax	-	-	-	(108.80)	(21.72)
Tax expense	-	-	-	-	-

Profit after tax	-	-	-	(108.80)	(21.72)

All assets and liabilities of the Demerged Undertaking as at April 1, 2012, were transferred to and vested in India Property on a going concern basis, at their respective book values. A summary of assets and liabilities transferred is as follows:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Total assets	-	-	-	24.29	19.39
Total liabilities	-	-	-	20.06	14.52
Net assets / (liability)	-	-	-	4.23	4.87

The net cash flows attributable to discontinuing operations is as below:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Operating activities	-	-	-	(102.11)	(20.19)
Investing activities	-	-	-	0.40	-
Financing activities	-	-	-	-	-

10 Deferred tax:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Deferred tax liability					
Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	-	-	0.97	3.95	3.50
Gross deferred tax liability	-	-	0.97	3.95	3.50
Deferred tax asset					
Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	1.98	1.26	-	-	-
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis	24.56	16.02	22.42	20.04	16.99
Provision for doubtful debts and advances	0.28	0.38	0.10	3.02	5.56
Provision for deposits	0.58	0.33	0.31	0.28	0.24
Unabsorbed depreciation carried forward	43.15	25.04	6.38	16.56	11.58
Business losses carried forward	185.46	241.13	226.81	225.53	232.75
Gross deferred tax asset	256.01	284.16	256.02	265.43	267.12
Deferred tax asset restricted to	-	-	0.97	3.95	3.50
Net deferred tax asset / deferred tax liability	-	-	-	-	-

Note:

1) The Company received tax demands from the Assessing Officer of Income tax for the Assessment Year 2008-09 and 2009-10 in relation to the disallowance of reimbursement of certain expenses incurred by wholly owned subsidiaries of the Company on Company's behalf amounting to Rs. 38.13 million and Rs. 23.41 million for Assessment year 2008-09 and Rs. 41.75 million for Assessment year 2009-10 respectively, due to non - deduction of withholding taxes on the same. The Company received a favourable order from Commissioner of Income Tax (Appeals) and the matter is pending with Income Tax Appellate Tribunal (ITAT). The Management believes that the ultimate outcome of this proceeding would be favourable.

11 Commitments, Claims and Other Contingent Liabilities

A) Commitments

Capital commitments:

The details of capital commitments as at the balance sheet date are as below:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Capital commitments (net of advances and deposit)	23.01	7.08	0.40	-	-

Other commitments:

For commitments relating to operating lease, refer note 6 of Annexure IVA.

B) Claims against the Company not acknowledged as debt

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Claims against the Company not acknowledged as debt	Refer note below	Refer note below	Refer note below	Refer note below	Refer note below

Note:

In a law suit filed in May 2011 in the Superior Court of New Jersey, Mercer County, Law Division, USA by certain plaintiffs, the Company's US subsidiary Consim Info USA Inc., USA, Infonauts Inc., USA (Promoter owned entity) and subsequently in 2012, Murugavel Janakiraman ("Promoter") and the Company were made co-defendants. The said suit has been filed on the basis of a Term Sheet signed on March 3, 2001, by the Promoter of the Company as the signatory of Infonauts Inc., USA. The Term Sheet, provided, inter alia for a loan of \$100,000 to Infonauts Inc., USA and 10% equity interest in "Bharatmatrimony.com" subject to certain adjustments. A binding commitment between the parties to the transactions (other than as set forth in the sections titled "Confidentiality", "Expenses" and "Exclusivity" of the Term Sheet) was to result upon execution of a definitive agreement and a purchase of equity agreement only. The Company understands that the definitive agreement and the purchase of equity agreement were never executed. Further, the Company understands that the said loan was received by Infonauts Inc., USA in two instalments, in 2001 and repaid in instalments by Infonauts Inc., USA,. The plaintiffs have in the law suit claimed inter alia, specific performance of the Term Sheet awarding them all lawful interest in Bharatmatrimony.com and all businesses, websites and other income-producing entities that have grown out of "Bharatmatrimony.com" and a constructive trust on such businesses. The Company commenced legal action against such claim, including filing for dismissal of the case on various grounds. Management believes, as the Company was not a party to the original Term Sheet and has not incurred any obligation to the plaintiffs, the claim is not enforceable against the Company or its subsidiaries and no right has crystallised.

C) Other contingent liabilities:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Service tax	Refer note (i) below	Refer note (i) below	Refer note (i) below	Refer note (i) below	Refer note (i) below
FEMA non-compliance	Refer note (ii) below	Refer note (ii) below	Refer note (ii) below	Refer note (ii) below	Refer note (ii) below

Note:

(i) The Company has certain pending litigations with CESTAT, and on a prudent basis, the Company has provided for the service tax liabilities and interest. Further the Company received a demand order from Commissioner of Service tax for the period 2007-08 to 2009-10 under section 78 of the Finance Act regarding non-payment of service tax on import of certain services made during that period. The Company admitted the liability and made payments along with interest. Based on legal consultation, it believes that no provision is required to be made in the books in respect of the penalty of Rs.6.91 million demanded by the authorities.

(ii) The Company has filed compounding application dated May 16, 2015 under Foreign Exchange Management Act, 1999 in response to the compounding memo issued by Reserve Bank of India for the delay in intimation of inward remittance towards investments received from non-resident investors and filing of Form FC-GPR for certain cases. Management believes that the matter will not have any material impact on the financial statements.

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No.: 101049W

Chartered Accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

The summary of results of restatement made in the audited financial statements for the respective years and its impact on the profit / (loss) of the Group is as follows:

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
(A) Net profit / (loss) as per audited financial statements	(29.29)	(91.59)	104.10	(37.86)	(16.71)
Adjustments (Refer Note A below)	-	-	-	-	-
Restated profit	(29.29)	(91.59)	104.10	(37.86)	(16.71)

Explanatory notes:

A) The restated consolidated summary financial statements have been prepared on the basis of the audited consolidated financial statements of each year that were all approved by the Board of Directors in their meeting held on August 05, 2015. Accordingly, the items appearing as adjustments in the unconsolidated summary financial statements, as detailed below, have been adjusted in the audited consolidated financial statements of the respective years as adjusting subsequent events in accordance with Accounting Standard - 4 "Contingencies and Events Occurring After the Balance Sheet Date" and hence, there are no other adjustments that are required to be made in the Restated Consolidated Summary Statements.

(i) Revenue recognition:

Up to the year ended March 31, 2012, the Company recognised the subscription revenues by allocating the same over the subscription period in terms of months rather than day basis. During the year ended March 31, 2013, the Company rectified the same by recognising the subscription income over the subscription period in terms of days. The impact of such adjustment amounted to Rs. 70.14 million which was recognised as prior period item in the audited financial statements for the year ended March 31, 2013, has been adjusted in the respective years. The impact on the profit prior to the year ended March 31, 2010 amounting to Rs. 27.84 million has been considered to arrive at the opening reserves as at April 1, 2010.

(ii) Straight lining of operating leases:

During the year ended March 31, 2013, the Company made adjustment towards the accrual of lease rent cost not recognised in the previous year by straight-lining the lease payments over the duration of the operating leases. The impact of such adjustment amounted to Rs. 5.61 million which was recognised as prior period expense in the audited financial statements for the year ended March 31, 2013, has been adjusted in the respective years. The impact on the profit prior to the year ended March 31, 2010 amounting to Rs. 4.47 million has been considered to arrive at the opening reserves as at April 1, 2010.

(iii) There are no other adjustments required to be made in the restated consolidated summary financial statements.

B) Change in accounting policy

During the year ended March 31, 2015, in view of certain new products launched by the company and based on the internal structure and evaluation of risks and rewards of the various section of the business, the company has identified three business segments viz. "Matchmaking Services", "Marriage services and related sale of products" and "Others" segments as the primary reportable segments.

In the financial statements for the year ended March 31, 2015, this change in identification of segments has been identified as change in accounting policy.

The disclosure of segment information for the earlier years presented have also been restated and disclosed in accordance with the revised segment policy in these Restated Consolidated Summary Statements.

C) Material Regroupings

The restated consolidated financial statements have been prepared based on the presentation requirements specified under Schedule III of the Companies Act, 2013, which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956. In respect of the year ended March 31, 2011, the Company reclassified the balances in accordance with the requirements applicable in the current year. The adoption of the Schedule III of the Companies Act, 2013 does not impact recognition and measurement principles followed for preparation of financial statements.

Appropriate adjustments have been made in the restated consolidated summary statements of Assets and Liabilities, Profit and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the year ended March 31, 2015, prepared in accordance with Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

D) Non adjusting items

During the year ended March 31, 2013, the Company revised the estimated useful life of furniture and fixtures, office equipment, vehicles and leasehold improvements, which has resulted in additional charge of depreciation amounting to Rs. 12.66 million in that year. Further, during the year ended March 31, 2015, the company revised the estimated useful lives of Computers and Network Equipment which has resulted in additional charge of depreciation amounting to Rs. 9.05 million in that year. These changes are considered as a change in the estimates and consequently no retrospective adjustments have been made.

E) Audit qualifications for the respective periods, which do not require any corrective material adjustments in the restated consolidated summary statements are as follows:

Annexure to auditor's report for the financial year ended March 31, 2015

(i) Clause (viii)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has not incurred cash losses in the current year. In the immediately preceding financial year, the Company has incurred cash loss.

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration No.: 101049W

Chartered Accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Matrimony.com Limited
Annexure V - Restated consolidated statement of share capital

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Share capital					
Authorised					
60,000,000 equity shares of Rs. 3/- each (March 31, 2014: 40,000,000 equity shares of Rs. 3/- each; March 31, 2013: 40,000,000 equity shares of Rs. 3/- each; March 31, 2012: 40,000,000 equity shares of Rs. 3/- each; and March 31, 2011: 5,000,000 equity shares of Re. 1/- each)	180.00	120.00	120.00	120.00	5.00
7,000,000 Optionally Convertible Preference Shares (OCPS) / Compulsorily Convertible Preference Shares (CCPS) of Rs. 3/- each (March 31, 2014: 7,000,000 OCPS/CCPS of Rs. 3/- each; March 31, 2013: 7,000,000 OCPS/CCPS of Rs. 3/- each; March 31, 2012: 7,000,000 OCPS/CCPS of Rs. 3/- each; March 31, 2011: 400,000 OCPS/CCPS of Re. 1/- each)	21.00	21.00	21.00	21.00	0.40
Total	201.00	141.00	141.00	141.00	5.40
Issued, subscribed and fully paid-up					
24,630,426 equity shares of Rs. 3/- each (March 31, 2014: 13,463,632 equity shares of Rs. 3/- each; March 31, 2013: 13,463,632 equity shares of Rs. 3/- each; March 31, 2012: 13,463,632 equity shares of Rs. 3/- each; March 31, 2011: 430,000 equity shares of Re. 1/- each)	73.89	40.39	40.39	40.39	0.43
Nil OCPS of Rs. 3/- each (March 31, 2014: 43,078 OCPS of Rs. 3/- each; March 31, 2013: 43,078 OCPS of Rs. 3/- each; March 31, 2012: 43,078 OCPS of Rs. 3/- each; March 31, 2011: 217,070 OCPS of Re. 1/- each) (Series - A)	-	0.13	0.13	0.13	0.22
3,220,500 CCPS of Rs. 3/- each (Series - A) (March 31, 2014: 3,317,110; March 31, 2013: 3,317,110; March 31, 2012: 3,317,110; March 31, 2011: Nil)	9.67	9.95	9.95	9.95	-
2,367,586 CCPS of Rs. 3/- each (Series - B) (March 31, 2014: 2,545,842 CCPS of Rs. 3/- each; March 31, 2013: 2,545,842 CCPS of Rs. 3/- each; March 31, 2012: 2,545,842 CCPS of Rs. 3/- each; March 31, 2011: 97,917 CCPS of Re. 1/- each)	7.10	7.64	7.64	7.64	0.09
424,788 CCPS of Rs. 3/- each (Series - C) (March 31, 2014: 424,788 CCPS of Rs. 3/- each; March 31, 2013: 424,788 CCPS of Rs. 3/- each; March 31, 2012: 424,788 CCPS of Rs. 3/- each; March 31, 2011: 16,338 CCPS of Re. 1/- each)	1.27	1.27	1.27	1.27	0.02
Total	91.93	59.38	59.38	59.38	0.76

Notes:
1 Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 3/- per share. Each holder of equity shares is entitled to one vote per share. All these shares have the same rights and preference with respect to payment of dividend, repayment of capital and voting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 Terms of conversion of CCPS

The preference shares will be converted into equal number of equity shares, subject to anti-dilution rights under clause 5.5 of the Shareholder's agreement, after the end of twenty years from the date of issue or before Initial Public Offer of the Company in India, and the option rests with the holder. In the event of liquidation of the Company before conversion of CCPS, the holders of CCPS will have priority over equity shares in the repayment of capital.

Consequent to the grant of bonus shares to equity shares holders as detailed in notes 5.8 and 5.9 below, the conversion ratio for such CCPS has been revised in accordance with the terms of the underlying agreements and now stands at 1.77 resultant equity shares for every preference share held in the Company.

- 3 The Company has not issued shares for consideration other than cash, except for bonus shares and conversion of preference shares into equity shares mentioned in note 5.2, 5.3, 5.6, 5.8 and 5.9 below.
- 4 For details of shares reserved for issue under the employee stock option scheme of the Company, please refer note 8 in Annexure IV-A.
- 5 **Details of shares transactions during year ended March 31, 2015, 2014, 2013, 2012 and 2011**
- 5.1 On March 25, 2011, the Company issued 16,338 fully paid-up CCPS of face value Re. 1/- per share (Series C).
- 5.2 On September 28, 2011, the Company converted 87,832 (Series - A) OCPS of face value Re. 1/- each share to equal number of equity shares of face value of Re. 1/- each.
- 5.3 On January 7, 2012, the Company issued bonus shares in the ratio of 77:1 to all the shareholders of the Company. The share premium of Rs. 58.62 million has been utilised for the said bonus issue. In order to facilitate the bonus issue, the authorised share capital has been increased to Rs. 141.00 million comprising of 120 million equity shares of Re. 1/- each and 20 million preference shares of Re. 1/- each.
- 5.4 On January 23, 2012, the authorised share capital of the Company amounting to Rs. 141.00 million was consolidated into 40 million equity shares of Rs. 3/- each and 7 million preference shares of Rs. 3/- each. The issued capital was accordingly adjusted.
- 5.5 On December 31, 2014, the authorised share capital of the Company has been increased from Rs. 141.00 million (including 40,000,000 equity shares of Rs. 3/- and 70,00,000 OCPS/CCPS of Rs. 3/- each) to Rs. 201.00 million (including 600,00,000 equity shares of Rs. 3/- each and 70,00,000 equity shares of Rs. 3/- each).
- 5.6 On November 26, 2014, the Company has converted 1,254 (Series - A) OCPS of face value Rs. 3/- each, 96,610 (Series - A) CCPS of face value Rs. 3/- each and 1,78,256 (Series - B) CCPS of face value Rs. 3/- each into equal number of equity shares of face value of Rs. 3/- each.
- 5.7 On December 30, 2014, the Company issued 49,783 fully paid-up equity shares of face value Rs. 3/- per share on preferential basis.
- 5.8 On December 31, 2014, the Company issued bonus shares to the existing shareholders, in the ratio of 18:100. The Securities premium account was utilised to the extent of Rs. 7.47 million for the issue of said bonus shares.
- 5.9 On January 27, 2015, the Company issued bonus shares to the existing shareholders, in the ratio of 1:2. The Securities premium account was utilised to the extent of Rs. 24.48 million for the issue of said bonus shares.
- 5.10 Subsequent to the year end, the board of directors of the company have, in their meeting held on August 05, 2015, approved the consolidation of shares as follows - every 5 (Five) existing equity shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) equity shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) preference shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up. Further, the total number of such consolidated equity shares constituting fractions of less than one equity share of Rs. 5/- each, aggregating to 12 equity shares, have been transferred to Mr. Murugavel Janakiraman, Promoter and Managing Director, who will act as a trustee for and on behalf of such equity shareholders holding fractional shares.

The details of the shares outstanding as at March 31, 2015 (after providing effect of consolidation of shares mentioned above) are as follows:

Particulars	Amount (in Rs. million)
Authorised Capital	
36,000,000 Equity shares of Rs. 5/- each, fully paid up	180.00
4,200,000 CCPS of Rs. 5/- each, fully paid up	21.00
-	
Paid up capital	
14,778,256 equity shares of Rs. 5/- each	73.89
1,932,300 CCPS of Rs. 5/- each, fully paid up (Series - A)	9.66
1,420,552 CCPS of Rs. 5/- each, fully paid up (Series - B)	7.10
254,872 CCPS of Rs. 5/- each, fully paid up (Series - C)	1.27

Matrimony.com Limited
Annexure VI - Restated consolidated statement of reserves and surplus

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Capital reserve					
Balance as per last financial statements (Refer note 8 below)	-	-	-	-	-
Add: adjustment to profits/losses	-	-	-	-	-
Closing balance	-	-	-	-	-
B. Securities premium account					
Balance as per last financial statements	11.28	936.68	940.91	999.53	865.36
Add: receipt on issue of equity and preference shares	37.69	-	-	-	134.17
Add: additions on ESOP exercised	4.59	-	-	-	-
Less: amounts adjusted on capital restructuring (refer note 4 below)	-	(925.40)	-	-	-
Less: utilised for bonus shares issued (refer note 3, 5 & 6 below)	(31.95)	-	-	(58.62)	-
Less: utilised for conversion / redemption of preference shares (refer note 7 below)	(0.10)	-	-	-	-
Less: adjustment related to demerger (refer note 9 of Annexure IV A)	-	-	(4.23)	-	-
Closing balance	21.51	11.28	936.68	940.91	999.53
C. Deficit i.e. the balance in statement of profit and loss as restated					
Balance as per last financial statements as restated	(92.57)	(926.37)	(1,030.47)	(992.61)	(975.90)
Add: amounts adjusted on capital restructuring (refer note 4 below)	-	925.40	-	-	-
Less: Amount adjusted as per the transitional provisions of Schedule II of the Companies Act, 2013.	(0.88)	-	-	-	-
Add: restated profit /(loss) for the year	(29.29)	(91.59)	104.10	(37.86)	(16.71)
Net deficit in the statement of profit and loss as restated	(122.74)	(92.56)	(926.37)	(1030.47)	(992.61)
Total (A+B+C)	(101.23)	(81.28)	10.31	(89.56)	6.92

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A and IV B.
- 3) During the year ended March 31, 2012, the Company issued bonus shares in the ratio of 77:1 to all the shareholders of the Company. The equity shareholders were issued additional equity shares and the preference shareholders were issued additional compulsorily convertible preference shares as per the bonus ratio. The securities premium account was utilised to the extent of Rs. 58.62 million for the issue of the said bonus shares.
- 4) During the year ended March 31, 2014, the Company submitted a petition to the Hon'ble High Court of Judicature at Madras u/s 78 read with sections 100 to 105 of the Companies Act, 1956 to set-off the accumulated book losses as at March 31, 2013 amounting to Rs. 925.40 million against the unutilised portion of the "Securities Premium" as at March 31, 2013. The same has been approved by the Hon'ble High court on December 20, 2013. Pursuant to which the amount of Rs. 925.40 million has been adjusted in books against Securities Premium.
- 5) On December 31, 2014 Company issued bonus shares to the existing shareholders, in the ratio of 18:100 and securities premium account was utilised to the extent of Rs. 7.47 million for such issue.
- 6) On January 27, 2015, the Company issued bonus shares to the existing shareholders, in the ratio of 1:2 and securities premium account was utilised to the extent of Rs. 24.48 million for such issue.

- 7) On March 15, 2015, the Company converted 41,824 optionally convertible preference shares into equity shares in the ratio of 1:1.77 and securities premium was utilised to the extent of Rs. 0.10 million for the conversion.
- 8) Capital Reserve for the year ended March 31, 2012 and March 31, 2011 was rupees Four thousand three hundred and seventy two.

Matrimony.com Limited**Annexure VII - Restated consolidated statement of long-term and short-term borrowings**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Long-term borrowings					
Secured					
Vehicle loan (refer note 5 below)	8.21	-	-	-	-
Less: Current maturities of long term debts (refer annexure IX(B))	(3.19)	-	-	-	-
	5.02	-	-	-	-
B. Short-term borrowings					
Secured					
Bank overdraft (refer note 6 below)	267.27	148.13	254.98	87.93	23.96
	267.27	148.13	254.98	87.93	23.96
Total (A+B)	272.29	148.13	254.98	87.93	23.96

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.
- 3) There are no unsecured loans availed by the Company.
- 4) There are no loans taken from Directors/ Promoters/ Promoter Group Companies/ Relatives of Promoters/ Relatives of directors.
- 5) The vehicle loan amounting to Rs. 10.00 million has been sanctioned by HDFC Bank which carries an interest rate of 10.01% p.a and is secured by hypothecation of vehicle. The said loan is repayable in 36 equal monthly installments commencing from September 5, 2014.
- 6) As of March 31, 2015, the Overdraft facilities are maintained with Indian Overseas Bank and HDFC Bank which carries an interest rate of 9.82% p.a and 9.30% p.a respectively. The said facilities are secured against bank deposits and are repayable on demand.

Matrimony.com Limited
Annexure VIII - Restated consolidated statement of other long- term liabilities and long-term provisions

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Other long term liabilities					
Deferred revenue	11.33	0.11	0.19	-	-
Security deposits	0.04	0.04	0.06	0.06	0.11
Dues to related parties (refer note 3 below)	23.45	52.29	-	-	-
Total Other long term liabilities	34.82	52.44	0.25	0.06	0.11
B. Long-term Provisions					
Provision for gratuity	15.01	12.29	11.10	9.12	6.30
Total long-term provisions	15.01	12.29	11.10	9.12	6.30

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.
- 3) There are no amounts due to Directors/ Promoters/ Promoter Group Companies/ Enterprises Holding Significant Influence / Relatives of Promoters/ Relatives of directors.

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Canaan VII Mauritius	23.45	52.29	-	-	-
	23.45	52.29	-	-	-

- 4) The list of persons / entities classified as "Promoters and Promoter Group Companies has been determined by the Management and relied upon by the Auditors.

Annexure IX - Restated consolidated statement of trade payables, other current liabilities and short term provisions

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Current liabilities					
A. Trade payables					
Total outstanding dues of trade payables other than micro and small enterprises (refer Annexure IVA note 7 for dues to micro and small enterprises)	190.22	211.99	186.94	239.86	136.68
Dues to employees	29.04	17.83	7.96	8.23	5.30
Dues to related parties (refer note 5 below)	7.23	-	-	-	17.62
Total trade payables (A)	226.49	229.82	194.90	248.09	159.60
B. Other current liabilities					
Current maturities of long term debts	3.19	-	-	-	-
Deferred revenue	378.40	334.74	284.74	256.14	187.18
Share application money refundable (refer note 3)	-	19.20	-	-	-
Interest accrued but not due on borrowings	-	-	-	-	0.50
Book overdraft	-	-	-	14.00	-
Advances from customers	4.93	2.96	6.12	6.92	2.91
Withholding and other taxes payable	22.31	15.78	19.74	12.71	10.40
Payables for capital purchases	3.10	7.80	7.56	7.44	0.64
Dues to related parties (refer note 5 below)	31.27	1.49	-	-	-
Total other current liabilities (B)	443.20	381.97	318.16	297.21	201.63
C. Short-term provisions					
Provision for gratuity	12.10	9.89	8.16	6.37	5.13
Provision for leave benefits	17.18	14.55	18.68	14.22	11.72
Provision for litigations (refer note 4 below)	17.62	1.33	25.05	28.61	24.92
Total short-term provisions (C)	46.90	25.77	51.89	49.20	41.77
Total current liabilities (A+B+C)	716.59	637.56	564.95	594.50	403.00

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.
- 3) During the year ended March 31, 2014, the Company received share application money from its promoter (Mr. Murugavel Jankiraman) and the same has been subsequently refunded during the year ended March 31, 2015.

4) Details of provision for litigation:

The movement of provision for litigation in respect of each of the years is given below:

Opening balance	1.33	25.05	28.61	24.92	23.21
Additions	16.29	0.75	3.21	3.69	1.71
Utilisation / payment	-	(24.48)	(6.77)	-	-
Closing balance	17.62	1.33	25.05	28.61	24.92

(a) **Service tax:** The Company has made a provision of Rs. 1.33 million for certain disputed liabilities relating to service tax.

(b) **EPF:** The company received a demand order dated March 17, 2015 from Regional Commissioner of Provident Fund, on account of non- inclusion of various allowances for the calculation of PF contribution for the period April 2012 to May 2014. The company has obtained a stay order from the Honourable High Court of Madras. The Company has also appealed against the order with PF Appellate Tribunal. Since various high courts have rendered different judgments which are in conflict to each other and the matter is now pending with the Honourable Supreme Court, as a matter of prudence the Company has provided for the demand of Rs. 16.29 million.

5) Amounts due to Directors/ Promoters/ Promoter Group Companies/ Enterprises Holding Significant Influence / Relatives of

Promoters/ Relatives of directors:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
India Property Online Private Limited	7.23	-	-	-	-
Tyroo Media Private Limited	-	-	-	-	1.46
Yahoo India Private Limited	-	-	-	-	16.16
Canaan VII Mauritius	31.27	1.49	-	-	-
	38.50	-	-	-	17.62

6) The list of persons /entities classified as "Promoters and Promoter group Companies" have been determined by the management and relied upon by the auditors.

Matrimony.com Limited**Annexure X - Restated consolidated statement of non-current investments**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Non Trade Investments					
Investment in Unquoted equity instruments					
Perspi Interactive Private Limited					
- 300,000 equity shares of Re. 1/- each fully paid up	-	0.30	0.30	-	-
Less: Provision for diminution in the value of investments	-	-	-	-	-
Total non-current investments	-	0.30	0.30	-	-

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.
- 3) Also refer note 4(a) in Annexure IVA.

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Long term loans and advances					
Unsecured, considered good					
Security deposits	86.76	110.80	114.13	83.25	63.98
Other loans and advances:					
Advance taxes (net of provision for taxes)	29.40	27.71	15.82	17.49	11.98
Prepaid expenses	0.12	0.05	0.22	0.27	-
Balances with statutory/ Government authorities	7.35	7.35	7.35	-	-
Total Long-term loans and advances	123.63	145.91	137.52	101.01	75.96

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) There are no long term loans and advances outstanding from Directors/ Promoters/ Promoter Group Companies/ Relatives of Promoters/ Relatives of directors.
- 4) The list of persons /entities classified as "Promoters and Promoter Group Companies has been determined by the management and relied upon by the Auditors

Matrimony.com Limited**Annexure XII - Restated consolidated statement of trade receivables (net of provision for doubtful receivables)**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Outstanding for a period exceeding six months from the date they are due for payment					
- considered good	-	-	-	2.26	4.87
- considered doubtful	0.85	1.18	0.32	7.71	13.85
	0.85	1.18	0.32	9.97	18.72
Less: Provision for doubtful receivables	0.85	1.18	0.32	7.71	13.85
	-	-	-	2.26	4.87
Other trade receivables (i.e., less than six months)					
- considered good	10.20	15.52	13.15	19.18	17.72
- considered doubtful	-	-	-	1.60	2.88
	10.20	15.52	13.15	20.78	20.60
Less: Provision for doubtful receivables	-	-	-	1.60	2.88
	10.20	15.52	13.15	19.18	17.72
Total	10.20	15.52	13.15	21.44	22.59

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.
- 3) There are no amounts due from Directors/Promoters/Promoter Group/Relatives of Promoters/Relatives of Directors.

Matrimony.com Limited**Annexure XIII - Restated consolidated statement of cash and bank balances**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Cash and cash equivalents					
Balances with banks on current accounts	73.26	13.61	16.16	30.41	22.97
Deposits with original maturity of less than three months (refer note 3 below)	30.00	-	-	-	-
Cheques on hand	3.61	3.56	1.58	1.37	1.16
Cash on hand	5.86	5.25	3.47	3.13	2.63
	112.73	22.42	21.21	34.91	26.76
Other bank balances					
Deposits with original maturity for more than 12 months (refer note 3 below)	10.00	-	30.00	-	-
Deposits with original maturity of more than 3 months but less than 12 months (refer note 3 below)	408.51	350.62	267.08	300.56	200.63
Total cash and bank balances	531.24	373.04	318.29	335.47	227.39

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.
- 3) These deposits are held as security against short-term borrowings.

Matrimony.com Limited
Annexure XIV - Restated consolidated statement of short-term loans and advances and other current assets

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Short term loans and advances					
Unsecured, considered good					
Security deposit	37.87	16.72	14.89	12.47	6.45
Loans and advances to related parties (refer note 4 below)	-	6.83	211.44	-	-
Prepaid expense	8.58	5.50	4.41	4.84	1.83
Loans to employees	5.19	1.98	1.29	2.43	0.72
Balances with statutory/ Government Authorities	8.02	5.18	5.85	12.50	12.18
Advances for supply and services	32.45	15.66	11.57	9.51	4.78
Total short-term loans and advances	92.11	51.87	249.45	41.75	25.96
B. Other current assets					
Interest accrued on fixed deposit	17.99	3.70	3.47	5.13	0.16
Share issue expenses (to the extent not written off or adjusted) Refer note 3 below	16.28	-	-	-	-
Unbilled revenues	-	0.04	-	4.21	-
Other receivable from related parties (refer note 4 below)	0.46	-	-	-	-
Total other current assets	34.73	3.74	3.47	9.34	0.16

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) During the year ended March 31, 2015, the Company incurred share issue expense of Rs. 16.28 million comprises of expenses that were incurred in connection with the Initial Public Offering (IPO) of shares by the Company for which the company was in process of filing Draft Red Herring Prospectus ("DRHP"), the said share issue expense shall be adjusted with securities premium account as prescribed under section 52 of the Companies Act 2013. The issue expenses will be shared between the Company and the selling shareholders on a pro-rata basis in proportion of the equity shares issued and allotted by the Company by way of fresh issue and the equity shares sold by the selling shareholders in the offer for sale.
- 4) Amounts due from Directors/ Promoters/ Promoter Group Companies/ Relatives of Promoters/ Relatives of directors:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
India Property Online Private Limited	0.46	6.83	211.25	-	-
Infonauts Inc.	-	-	0.19	-	-
	0.46	6.83	211.44	-	-

- 5) The list of persons /entities classified as "Promoters and Promoter Group Companies has been determined by the management and relied upon by the Auditors

Matrimony.com Limited**Annexure XV - Restated consolidated statement of other income**

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended					Nature	
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	Recurring/ Non-recurring	Related/Not related to business activity
Liabilities no longer required written back	1.05	5.90	0.56	2.34	4.35	Recurring	Related
Seat sharing revenue	8.25	10.82	-	-	-	Recurring	Not related
Premium on redemption of preference shares	-	0.84	-	-	-	Non - recurring	Not related
Miscellaneous income	4.99	1.20	1.20	0.92	0.55	Recurring	Not related
Total Other Income	14.29	18.76	1.76	3.26	4.90		

Note:

- 1) The classification of other income as recurring/non-recurring, related/not related to business activity is based on the current operations and business activity of the Group as determined by the management.
- 2) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
- 3) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.

Matrimony.com Limited
Annexure XVI - Restated consolidated statement of operating expenses

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Employee benefit expenses					
Salaries, wages and bonus	952.98	795.44	674.91	482.93	317.12
Contribution to provident and other fund	61.09	45.27	41.90	30.51	18.49
Gratuity expense	8.62	7.42	6.95	4.13	4.80
Staff welfare expenses	27.41	24.62	17.24	15.14	9.96
Recruitment and training	9.18	6.14	9.91	8.88	8.39
Total employee benefit expenses	1,059.28	878.89	750.91	541.59	358.76
B. Advertisement and business promotion expenses					
Advertisement	502.59	469.06	450.63	449.56	354.56
Business promotion expenses	29.93	12.32	11.77	8.85	8.06
Others	-	-	-	0.75	2.80
Total advertisement and business promotion expenses	532.52	481.38	462.40	459.16	365.42
C. Other expenses					
Web hosting charges	99.91	93.59	74.58	54.20	42.38
Electricity	47.59	43.85	41.33	28.26	17.20
Rent and amenities	190.23	181.98	165.49	111.77	74.81
Rates and taxes	6.26	9.95	11.78	13.32	8.65
Insurance	5.96	5.77	3.96	2.31	1.84
Repairs and maintenance – others	43.47	40.47	24.06	16.36	10.00
Travelling and conveyance	42.77	37.31	34.06	26.12	26.41
Communication costs	75.46	71.01	68.80	54.16	37.48
Printing and stationery	3.67	2.52	4.20	2.83	2.78
Legal and professional fees	32.81	27.29	31.80	30.70	21.60
Directors' sitting fees	1.20	-	-	-	-
Exchange differences (net)	7.63	8.41	4.40	2.06	(0.07)
Provision for doubtful debts and advances	10.14	1.05	0.38	0.39	2.42
Provision for EPF litigation (Refer Annexure IX)	16.29	-	-	-	-
Loss on sale / write off of fixed assets (net)	9.71	8.09	5.31	6.60	-
Collection charges	40.09	36.84	33.65	23.25	2.53
Photography service charges	0.95	-	-	-	-
Miscellaneous expenses	5.44	4.07	6.28	3.94	4.71
Total other expenses	639.58	572.20	510.08	376.27	252.74

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) Employee benefit expenses paid to Directors/ Promoters/ Relatives of Promoters/ Relatives of directors:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Mr. Murugavel Janakiraman	8.40	8.64	9.00	7.00	3.00
Mr. Ravi Janakiraman	0.87	0.82	0.75	0.70	0.60
	9.27	9.46	9.75	7.70	3.60

- 4) The list of persons /entities classified as "Promoters and Promoter Group Companies has been determined by the Management and relied upon by the Auditors.

Matrimony.com Limited**Annexure XVII - Restated consolidated statement of exceptional items**

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Loss / (Profit) from disposal of subsidiaries / non - current investments (refer note 3, 4 and 5 below)	(4.46)	-	(13.07)	(1.00)	-
Legal costs incurred on litigation (refer note 6 below)	146.24	188.97	31.65	-	-
Total exceptional items	141.78	188.97	18.58	(1.00)	-

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) Pursuant to a share purchase and share holders' agreement dated March 21, 2012 entered into with certain buyers, the Company disposed off 67,700 equity shares out of 367,700 equity shares in Perspi Interactive Private Limited ("Perspi") to such buyers for a consideration of Rs. 1.07 million. The profit earned on this transaction is Rs. 1.00 million. On April 27, 2012, consequent to the additional investment made by the buyers in Perspi, the shareholding of the Company in Perspi has reduced from 81.59% in March 2012 to 24%. Accordingly, it ceased to be a wholly owned subsidiary and the excess of liabilities over assets of Rs. 14.30 million has been considered as a deemed profit on disposal of subsidiary. Further vide share purchase agreement dated September 1, 2014, the company disposed off the remaining 300,000 equity shares in Perspi and the profit earned on account of such disposal is Rs. 4.00 million. Since these disposals are non-routine in nature, the same has been classified under exceptional items.
- 4) During the year ended March 31, 2013, the company transferred its holding in Infonauts Inc, USA to the promoter of the company for a consideration of Rs. 0.14 million. The excess of net assets over purchase consideration of Infonauts Inc., on the date of disposal of Rs. 1.23 million has been recognised as loss and classified under exceptional items, being non-routine in nature.
- 5) In December 2014, the company entered into a sale agreement with certain buyers to sell the entire investment held in MatrimonyGifts Wholesale India Private Limited for a consideration of Rs. 0.20 million. As per the sale agreement, the applications before the Registrar of Trade Marks for registration of label / word mark "Tambulya" shall rest with Matrimony.com Limited. The Board of directors has approved the decision vide resolution dated December 30, 2014. Consequent to this, the company has recorded a profit of Rs. 0.46 million and the same has been classified as an "exceptional item" in the statement of profit and loss being non-routine in nature.
- 6) Legal costs incurred for defending the Company, Promoter and Certain shareholders in a case pending with Superior Court of New Jersey, in each of the years ended March 31, 2015, March 31, 2014 and March 31, 2013. In view of the amount involved being significant, the same has been disclosed as exceptional item in the financial statements. For more details refer note 11B in Annexure IVA.

Matrimony.com Limited**Annexure XVIII - Capitalisation statement**

(All amounts are in INR million unless otherwise stated)

Particulars	Pre IPO as at March 31, 2015	As adjusted for IPO (refer note 3 below)
Debt		
Short term borrowings (A)	267.27	
Long term borrowings (B)	8.21	
Total borrowings (A+B)	275.48	
Shareholder's funds		
Share capital	91.93	
Reserves and Surplus, as restated	(101.23)	
Total shareholder's funds (C)	(9.30)	
Long term borrowings / Shareholder's fund (B/C)	(0.88)	

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this state pending the completion of the book building process and hence the same have not been provided in the above statement.
- 4) Long term debt represents debt which is due after 12 months from March 31, 2015 and current maturities of long term debt.
- 5) For changes in share capital structure post March 31, 2015, refer note 7 of Annexure XIX.

Matrimony.com Limited
Annexure XIX - Restated consolidated statement of accounting ratios

(All amounts are in INR million, except for share and per share data)

Particulars		Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Restated Profit / (Loss) after tax from continuing operations	A	(29.29)	(91.59)	104.10	70.94	5.01
Restated Profit / (Loss) after tax from total operations	B	(29.29)	(91.59)	104.10	(37.86)	(16.71)
Less: Preference dividend including tax thereon	C	-	-	-	-	-
Net profit / (Loss) available to equity shareholders from continuing operations	D=A-C	(29.29)	(91.59)	104.10	70.94	5.01
Net profit / (Loss) available to equity shareholders from total operations	E=B-C	(29.29)	(91.59)	104.10	(37.86)	(16.71)
Weighted average number of equity shares considered for calculating basic EPS	F	24,265,642	23,830,630	23,830,630	23,816,192	23,801,352
Weighted average number of equity shares considered for calculating diluted EPS	G	35,999,617	35,120,314	35,120,314	30,319,199	30,321,171
Restated net worth	H	(9.30)	(21.90)	69.69	(30.18)	7.68
Accounting ratios prior to consolidation of shares (refer note 7 below):						
Basic earnings per share (Rs.)						
- from continuing operations	D/F	(1.21)	(3.84)	4.37	2.98	0.21
- from total operations	E/F	(1.21)	(3.84)	4.37	(1.59)	(0.70)
Diluted earnings per share (Rs.)						
- from continuing operations	D/G	(1.21)	(3.84)	2.96	2.34	0.17
- from total operations	E/G	(1.21)	(3.84)	2.34	(1.59)	(0.70)
Return on net worth (%)	D/H	(314.67)%	(417.93)%	149.40%	(125.45)%	(217.59)%
Net asset value per share (Rs.)	H/G	(0.26)	(0.63)	1.99	(1.00)	0.25
Accounting ratios post consolidation of shares (refer note 7 below):						
Basic earnings per share (Rs.)						
- from continuing operations		(2.01)	(6.41)	7.28	4.97	0.36
- from total operations		(2.01)	(6.41)	7.28	(2.65)	(1.17)
Diluted earnings per share (Rs.)						
- from continuing operations		(2.01)	(6.41)	4.94	3.91	0.28
- from total operations		(2.01)	(6.41)	4.94	(2.65)	(1.17)
Return on net worth (%)		(314.67)%	(417.93)%	149.40%	(125.45)%	(217.59)%
Net asset value per share (Rs.)		(0.44)	(1.04)	3.31	(1.66)	0.42

Matrimony.com Limited**Annexure XIX – Restated consolidated statement of accounting ratios (continued)****Notes:**

- 1) The above ratios have been computed on the basis of the restated consolidated summary statements of the Company.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows.
- 3) The Ratios have been computed as below:

a) Basic Earnings per share (Rs.)	$\frac{\text{Net profit after taxes (as restated) from continuing operations/ Net profit after taxes (as restated) from total operations attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$
b) Diluted Earnings per share (Rs.)	$\frac{\text{Net profit after taxes (as restated) from continuing operations/ Net profit after taxes (as restated) from total operations}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$
c) Return on net worth (%)	$\frac{\text{Net profit after tax (as restated)}}{\text{Net worth at the end of the year including preference share capital}}$
d) Net asset value per share (Rs.)	$\frac{\text{Net worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of the year + Potential equity shares from convertible preference shares}}$

4) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

5) Net worth for ratios mentioned in note 3(c) and 3(d) = Equity share capital + Reserves and surplus (including Securities Premium and surplus in statement of profit and loss) + Preference share capital. These ratios have been computed after considering the retrospective adjustment of the bonus shares and consolidation of share capital.

6) Earnings per share calculations are in accordance with Accounting Standard 20 on Earnings Per Share notified under section 133 of the Companies Act 2013, read together along with paragraph 7 of the Companies (Accounts) Rules, 2014. As per Accounting Standard 20, in case of bonus shares or consolidation of shares, the number of shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event has occurred at the beginning of the earliest period reported. Weighted average number of equity share outstanding during all the previous years have been considered accordingly.

7) Subsequent to the March 31, 2015, the Board of Directors of the Company have, in their meeting held on August 5, 2015 approved the consolidation of the shares as follows - every 5 (Five) existing equity shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) equity shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) preference shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up. Accordingly, the accounting ratios prior and post such consolidation of shares has been disclosed.

Matrimony.com Limited
Annexure XX - Restated consolidated statement of related party disclosures

(i) List of related parties and transactions as per the requirements of Accounting Standard - 18, "Related Party Disclosures" notified by Central Government under section 133 of Companies Act, 2013

(All amounts are in INR million unless otherwise stated)

Relationship	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Enterprises owned or significantly influenced by key management personnel or their relatives	India Property Online Private Limited	India Property Online Private Limited	India Property Online Private Limited	-	-
	Infonauts Inc., USA	Infonauts Inc., USA	Infonauts Inc., USA	-	-
Investor having significant influence	Canaan VII Mauritius	Canaan VII Mauritius	Canaan VII Mauritius	Canaan VII Mauritius	Canaan VII Mauritius
	Mayfield XII Mauritius	Mayfield XII Mauritius	Mayfield XII Mauritius	Mayfield XII Mauritius	Mayfield XII Mauritius
Enterprises in which directors are interested	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited
	Canaan Advisors Private Limited	Canaan Advisors Private Limited	Canaan Advisors Private Limited	Canaan Advisors Private Limited	Canaan Advisors Private Limited
	-	-	-	Tyroo Media Private Limited (till September 28, 2011)	Tyroo Media Private Limited
	-	-	-	Yahoo India Private Limited (till September 28, 2011)	Yahoo India Private Limited
Key Management Personnel (KMP)	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman
Relatives of KMP	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman
	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman

Note: On March 24, 2015, Canaan VII Mauritius, one of the investors of the company, has transferred its entire holding in equity and preference capital (719,174 equity shares and 4,348,510 compulsorily convertible preference shares) to CMD B II. Board of directors of the company has approved the said transfer on April 16, 2015.

Matrimony.com Limited

Annexure XX – Restated consolidated statement of related party disclosures (continued)

(ii) Details of transactions with related parties

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Transactions with key management personnel and relative of key management personnel					
Key Management personnel:					
- Mr.Murugavel Janakiraman					
Remuneration	8.40	8.64	9.00	7.00	3.00
Share application money received	-	19.20	-	-	-
Share application money refunded	19.20	-	-	-	-
Interest paid on share application money	0.16	-	-	-	-
Preferential allotment of equity shares (including premium)	12.23	-	-	-	-
Bonus issue of equity shares	25.68	-	-	32.88	-
Sale of Investment in Infonauts Inc., USA	-	-	0.14	-	-
Relatives of Key Management Personnel:					
Remuneration					
- Mr. Ravi Janakiraman	0.87	0.82	0.75	0.70	0.60
Bonus issue of equity shares					
- Mrs. Indirani Janakiraman	0.18	-	-	0.23	-
Investor having significant influence:					
Preferential allotment of equity shares (including premium)					
- Canaan VII Mauritius	5.23	-	-	-	-
- Mayfield XII Mauritius	5.09	-	-	-	-

Matrimony.com Limited
Annexure XX – Restated consolidated statement of related party disclosures (continued)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Bonus issue of equity shares					
- Canaan VII Mauritius	0.84	-	-	1.06	-
- Mayfield XII Mauritius	1.67	-	-	2.12	-
Bonus issue of preference shares					
- Canaan VII Mauritius	-	-	-	13.00	-
- Mayfield XII Mauritius				4.93	
Allotment of Series C preference shares including securities premium					
- Canaan VII Mauritius	-	-	-	-	67.10
- Mayfield XII Mauritius	-	-	-	-	67.10
Legal charges					
- Canaan VII Mauritius	-	52.29	-	-	-
Enterprises owned or significantly influenced by key management personnel or their relatives and enterprises in which Directors are interested					
Advertisement					
- Tyroo Media Private Limited	-	-	-	8.11	2.16
- Yahoo India Private Limited	-	-	-	39.60	60.06
Expenses made by Company on behalf of related parties					
- India Property Online Private Limited	-	1.13	133.84	-	-
- Travelling charges to Mayfield Advisors Private Limited	-	-	-	0.07	0.09
- Travelling charges to Canaan Advisors Private Limited	-	-	-	0.04	0.14
Investments in equity shares					
- India Property Online Private Limited	-	-	0.10	-	-
Cancellation of investment in equity shares					
- India Property Online Private Limited	-	-	0.10	-	-
Purchase of redeemable preference shares					
- India Property Online Private Limited	-	50.00	-	-	-

Matrimony.com Limited
Annexure XX – Restated consolidated related party disclosures (continued)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Redemption of redeemable preference shares					
- India Property Online Private Limited (including premium)	-	50.84	-	-	-
Loans and advances to related parties					
- India Property Online Private Limited	-	-	93.50	-	-
Repayment of Loan from related parties					
- India Property Online Private Limited	-	93.50	-	-	-
Seat sharing revenue					
- India Property Online Private Limited	8.25	10.82	-	-	-
Transfer of assets					
- India Property Online Private Limited	-	-	24.29	-	-
Transfer of liabilities					
- India Property Online Private Limited	-	-	20.06	-	-
Interest income on loans					
- India Property Online Private Limited	-	2.16	9.37	-	-
Reversal of interest receivable on loan					
- India Property Online Private Limited	0.10	-	-	-	-

Matrimony.com Limited
Annexure XX – Restated consolidated related party disclosures (continued)
(iii) Balances with related parties

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Enterprises owned or significantly influenced by key management personnel or their relatives / Enterprises in which Directors are interested:					
Loans and advances					
- India Property Online Private Limited	-	6.83	211.25	-	-
- Infonauts Inc.	-	-	0.19	-	-
Other receivables					
- India Property Online Private Limited	0.46	-	-	-	-
Trade payables					
- Tyroo Media Private Limited	-	-	-	-	1.46
- Yahoo India Private Limited	-	-	-	-	16.16
- India Property Online Private Limited	7.23	-	-	-	-
Investor having significant influence:					
Long-term liabilities					
- Canaan VII Mauritius	23.45	52.29	-	-	-
Other liabilities					
- Canaan VII Mauritius	31.27	1.49	-	-	-

Matrimony.com Limited
Annexure XXI - Restated consolidated statement of segment information
a) Primary Segment Information based on business:

The Company's business segments have been divided into three - Matchmaking services, Marriage services and related sale of products and Others.

Primary segment information (by Business segments):

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Segment Revenue					
- Matchmaking Services	2,319.91	1,988.55	1,873.22	1,459.51	1,009.02
- Marriage services and related sale of products	94.21	65.83	12.85	0.37	-
- Others	-	-	-	4.25	6.49
Elimination of Inter segment sales	-	-	-	-	-2.73
Total Revenue	2,414.12	2,054.38	1,886.07	1,464.13	1,012.78
Segment Expenses					
Purchase of traded goods					
- Matchmaking Services	-	-	-	-	-
- Marriage services and related sale of products	18.94	10.21	2.45	0.18	-
- Others	-	-	-	-	-
Employee benefits expense					
- Matchmaking Services	915.23	755.58	691.46	517.66	335.85
- Marriage services and related sale of products	98.17	80.69	32.08	-	-
- Others	-	-	-	1.98	7.71
Advertisement and business promotion expense					
- Matchmaking Services	486.21	456.4	454.78	459.11	365.36
- Marriage services and related sale of products	46.3	24.98	7.62	-	-
- Others	-	-	-	-	0.06
Other expenses					
- Matchmaking Services	522.14	507.78	462.49	343.66	220.23
- Marriage services and related sale of products	59.45	30.06	13.73	0.22	-
- Others	1.77	-	-	2.48	4.27
Depreciation and amortisation expense					
- Matchmaking Services	56.56	37.45	57.24	29.41	19.61
- Marriage services and related sale of products	3.99	3.06	1.02	-	-
- Others	-	-	-	0.04	0.06

Matrimony.com Limited
Annexure XXI - Restated consolidated statement of segment information (continued)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
B. Segment Results					
- Matchmaking Services	339.77	231.34	207.25	109.67	67.97
- Marriage services and related sale of products	(132.64)	(83.17)	(44.05)	(0.03)	-
- Others	(1.77)	-	-	(0.25)	(5.61)
Total	205.36	148.17	163.20	109.39	62.36
Unallocable expenses (net of unallocable revenue)	108.95	74.07	65.9	57.61	42.48
Finance cost	15.71	8.22	14.01	2.91	17.82
Finance income	(32.14)	(31.78)	(39.66)	(21.28)	(3.11)
Profit before exceptional items, tax and minority interest from continuing operations	112.84	97.66	122.95	70.15	5.17
Exceptional items	141.78	188.97	18.58	(1.00)	-
Profit / (loss) before tax and minority interest from continuing operations	(28.94)	(91.31)	104.37	71.15	5.17
Income taxes	0.10	0.04	0.02	0.06	0.07
Profit / (loss) after tax before minority interest from continuing operations	(29.04)	(91.35)	104.35	71.09	5.10
Loss after tax from discontinuing operations before minority interest	-	-	-	(108.8)	(21.72)
Profit / (loss) before minority interest	(29.04)	(91.35)	104.35	(37.71)	(16.62)
Minority interest	0.25	0.24	0.25	0.15	0.09
Profit / (loss) for the year	(29.29)	(91.59)	104.10	(37.86)	(16.71)
C. Segment Assets					
- Matchmaking Services	337.88	326.29	278.78	239.26	168.37
- Marriage services and related sale of products	14.27	24.67	16.76	1.32	-
- Others	0.76	-	-	0.11	1.73
Unallocable assets	649.57	451.78	591.32	404.99	260.56
Other assets held for investing activities	-	0.30	0.30	-	-
Income taxes	29.42	27.72	15.81	17.50	11.99
Total Assets	1,031.90	830.76	902.97	663.18	442.65
D. Segment Liabilities					
- Matchmaking Services	519.98	455.26	459	573.72	391.13
- Marriage services and related sale of products	45.97	38.29	22.01	1.24	-
- Others	0.69	-	-	14.05	14.86
- Unallocable	472.06	356.87	350.28	102.6	27.37
Total Liabilities	1,038.70	850.42	831.29	691.61	433.36

Matrimony.com Limited
Annexure XXI - Restated consolidated statement of segment information (continued)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
E. Capital Expenditure					
- Matchmaking Services	97.80	34.33	74.32	108.33	62.35
- Marriage services and related sale of products	13.80	7.99	6.02	-	-
- Others	0.06	-	-	-	-
- Unallocable	26.70	40.29	18.96	-	-
Total Capital Expenditure	138.36	82.61	99.30	108.33	62.35
F. Depreciation / Amortisation					
- Matchmaking Services	56.56	37.45	57.24	29.41	19.61
- Marriage services and related sale of products	3.98	3.06	1.03	-	-
- Others	-	-	-	0.04	0.06
- Unallocable	21.13	15.85	6.42	8.95	1.21
Total Depreciation / Amortisation	81.67	56.36	64.69	38.40	20.88
G. Non-cash items other than Depreciation / Amortisation					
- Matchmaking Services	15.26	(0.68)	5.30	17.56	3.94
- Marriage services and related sale of products	17.85	0.04	-	-	-
- Others	-	-	-	-	-
- Unallocable	(4.00)	-	(13.06)	(1.00)	-
Total Non-cash items other than Depreciation / Amortisation	29.11	(0.64)	(7.76)	16.56	3.94
H. Capital Employed					
- Unallocable	(6.81)	(19.66)	71.69	(28.43)	9.28
Total Capital Employed	(6.81)	(19.66)	71.69	(28.43)	9.28

Matrimony.com Limited**Annexure XXI - Restated consolidated statement of segment information (continued)****Secondary segment information** (by Geographical segments):

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Segment Revenue					
- Within India	2,046.01	1,699.56	1,521.41	1,168.07	788.87
- Outside India	368.11	354.82	364.66	296.06	223.91
Capital Expenditure					
- Within India	138.26	82.51	99.05	107.33	61.56
- Outside India	0.10	0.10	0.25	1.00	0.79
Segment Assets					
- Within India	338.60	337.00	277.62	225.48	146.19
- Outside India	14.31	13.96	17.92	15.21	23.91

Note:

- 1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated consolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Those which are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- 4) The business which were not reportable segments, have been grouped under the "Others" segment. This comprises of business of operating online job portal and providing matchmaking services through mobile application.

Matrimony.com Limited**Annexure XXII - Restated consolidated statement of dividend**

(All amounts are INR unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Equity shares:					
Number of equity shares (numbers)	24,630,426	13,463,632	13,463,632	13,463,632	430,000
Face value per share (Rs.)	3	3	3	3	1
Rate of dividend (%)	-	-	-	-	-
Dividend amount (in million)	-	-	-	-	-
Tax on dividend (in million)	-	-	-	-	-
Preference shares:					
Number of preference shares (numbers)	6,012,874	6,330,818	6,330,818	6,330,818	331,325
Face value per share (Rs.)	3	3	3	3	1
Rate of dividend (%)	-	-	-	-	-
Dividend amount (in million)	-	-	-	-	-
Tax on dividend (in million)	-	-	-	-	-

Report of auditors on the restated unconsolidated summary statement of Assets and Liabilities as at March 31, 2015, 2014, 2013, 2012 and 2011 and Profits and Losses and Cash Flows for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 for Matrimony.com Limited (Collectively, the “Restated Unconsolidated Summary Statements”)

The Board of Directors
Matrimony.com Limited
TVH Beliciaa Towers, 10th Floor, Tower II,
No 94, MRC Nagar,
Mandaveli,
Chennai – 600 028

Dear Sirs,

1. We have examined the Restated Unconsolidated Summary Statements of Matrimony.com Limited (Formerly referred to as “Consim Info Private Limited” or “Matrimony.com Private Limited) (the “Company”) as at March 31, 2015, 2014, 2013, 2012 and 2011 and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 annexed to this report for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (“IPO”). The Restated Unconsolidated Summary Statements, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:
 - (i) sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (‘the Act’) read with Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014 ;and
 - (ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
2. We have examined such Restated Unconsolidated Summary Statements taking into consideration:
 - (i) the terms of our engagement agreed with you vide our engagement letter dated October 17, 2014 and amendments thereto, requesting us to carry out work on such financial information, proposed to be included in the offer document of the Company in connection with its proposed IPO; and
 - (ii) the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.
3. The Company proposes to make an IPO of its equity shares of Rs. 5 each at such premium, arrived at by book building process (referred to as the “Issue”), as may be decided by the Company’s Board of Directors.
4. The Restated Unconsolidated Summary Statements has been compiled by the management from:
 - (i) the audited unconsolidated financial statements of the Company as at for each of the years ended March 31, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India, which have been approved by the Board of Directors on August 5, 2015, July 18, 2014 and June 17, 2013 and audited by us.
 - (ii) the unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2012 and 2011 prepared in accordance with accounting principles generally accepted in India at the relevant time and originally approved by the Company in its board meetings held on September 26, 2012 and August 24, 2011, respectively, all of which have been audited by the Company’s previous auditor, Deloitte Haskins & Sells.
5. Read with para 4(a) above, we have issued auditors’ report dated August 5, 2015, July 18, 2014 and June 17, 2013 on the unconsolidated financial statements of the Company as at and for the years ended March 31, 2015, 2014 and 2013. Read with para 4(b) above, the unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2012 and 2011 prepared in accordance with accounting principles generally accepted in India at the relevant time and originally approved by the Company in its board meetings held on September 26, 2012 and August 24, 2011, respectively, all of which have been audited by the Company’s previous auditor, Deloitte Haskins & Sells and relied upon by us, and books of accounts underlying those audited financial statements for the year ended March 31, 2011 and other records of the Company in respect of this year to the extent considered necessary, for the presentation of the Restated Unconsolidated Summary Statements under the requirements of Schedule III of the Companies Act, 2013.

6. In accordance with the requirements of sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Regulations and terms of our engagement agreed with you, we report that, read with paragraph 4 and 5 above, we have examined the Restated Unconsolidated Summary Statements as at and for the each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 as set out in Annexures I to III.
7. Based on our examination, the audited financial statements of the Company for each of the years ended March 31, 2015, 2014 and 2013 as stated in paragraph 4(a) above, and the reliance placed on the reports of the auditors as referred to in Paragraph 4(b) above, we further report that:
 - (i) The Restated Unconsolidated Summary Statements have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure IV B to this report;
 - (ii) The impact arising on account of the change in accounting policy adopted by the Company as at and for the year ended March 31, 2015 as described in Annexure IV B is applied with retrospective effect in the Restated Unconsolidated Summary Statements;
 - (iii) Adjustments for the material amounts and material disclosures in the respective financial years to which they relate have been adjusted in the attached Restated Unconsolidated Summary Statements;
 - (iv) There are no items of extraordinary nature that need to be disclosed separately in the Restated Unconsolidated Summary Statements;
 - (v) There are no qualifications in the auditors' reports on the unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 which require any adjustments to the Restated Unconsolidated Summary Statements; and
 - (vi) Other audit qualifications included in the Annexure to the Auditor's report on Companies (Auditor's Report) Order, 2015/2003 (as amended), as the case may be, for the financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 which do not require any corrective adjustment in the financial information, are as follows:-

A. Annexure to auditor's report for the Financial year ended March 31, 2015

(i) Clause (viii)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has not incurred cash losses in the current year. In the immediately preceding financial year, the Company has incurred cash loss.

B. Annexure to auditor's report for the Financial year ended March 31, 2014

(i) Clause (ix)(a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of service tax. The provision relating to excise duty, investor education and protection fund and sales-tax are not applicable to the company.

(ii) Clause (x)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has incurred cash losses in the current year. In the immediately preceding financial year, the Company has not incurred cash loss.

C. Annexure to auditor's report for the Financial year ended March 31, 2013

(i) Clause (ix)(a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of service tax. Statutory dues in respect of excise duty, investor education and protection fund and sales-tax are not applicable to the company.

(ii) Clause (x)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and it has not incurred cash losses in the current year and immediately preceding financial year.

D. Annexure to auditor's report for the Financial year ended March 31, 2012

(i) Clause (x)

The accumulated losses of the Company at the end of the financial year have exceeded fifty per cent of its net worth. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

E. Annexure to auditor's report for the Financial year ended March 31, 2011

(i) Clause (x)

The accumulated losses of the Company at the end of the financial year have exceeded fifty per cent of its net worth. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

8. We have not audited or reviewed any financial statements of the Company as of any date or for any period subsequent to March 31, 2015. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2015.

Other Financial Information:

9. At the Company's request, we have also examined the following restated unconsolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011:
- (i) Restated Unconsolidated Statement of Share Capital, enclosed as Annexure V
 - (ii) Restated Unconsolidated Statement of Reserves and Surplus, enclosed as Annexure VI
 - (iii) Restated Unconsolidated Statement of Long-term and Short-term Borrowings, enclosed as Annexure VII
 - (iv) Restated Unconsolidated Statement of Other Long-term liabilities and Long-term Provisions, enclosed as Annexure VIII
 - (v) Restated Unconsolidated Statement of Trade Payables, Other Current Liabilities and Short-term Provisions, enclosed as Annexure IX
 - (vi) Restated Unconsolidated Statement of Non-Current Investments, enclosed as Annexure X
 - (vii) Restated Unconsolidated Statement of Long-term Loans and Advances, enclosed as Annexure XI
 - (viii) Restated Unconsolidated Statement of Trade Receivables (net of provision for doubtful receivables), enclosed as Annexure XII
 - (ix) Restated Unconsolidated Statement of Cash and Bank Balances, enclosed as Annexure XIII
 - (x) Restated Unconsolidated Statement of Short-term Loans and Advances and Other Current Assets, enclosed as Annexure XIV
 - (xi) Restated Unconsolidated Statement of Other Income, enclosed as Annexure XV
 - (xii) Restated Unconsolidated Statement of Operating Expenses, enclosed as Annexure XVI
 - (xiii) Restated Unconsolidated Statement of Exceptional Items, enclosed as Annexure XVII
 - (xiv) Capitalisation Statement, enclosed as Annexure XVIII
 - (xv) Restated Unconsolidated Statement of Accounting Ratios, enclosed as Annexure XIX
 - (xvi) Restated Unconsolidated Tax Shelter Statement, enclosed as Annexure XX
 - (xvii) Restated Unconsolidated Statement of Related Party Transactions, enclosed as Annexure XXI
 - (xviii) Restated Unconsolidated Statement of Segment Information, enclosed as Annexure XXII
 - (xix) Statement of Dividend, enclosed as Annexure XXIII
10. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexure IV A, and after making adjustments and regroupings as considered appropriate and disclosed in Annexure IV B, have been prepared in accordance with the relevant provisions of the Act and the Regulations.

11. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed Initial Public Offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

Shankar Srinivasan
Partner
Membership No: 213271

Place: Hyderabad
Date: August 11, 2015

Matrimony.com Limited
Annexure I - Restated Unconsolidated Summary Statement of Assets and Liabilities

(All amounts are in INR million unless otherwise stated)

	Particulars	Annexure No.	As at				
			31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
	Equity and Liabilities						
A	Shareholders' funds						
	Share capital	V	91.93	59.38	59.38	59.38	0.76
	Reserves and surplus	VI	(106.03)	(70.81)	11.57	(78.79)	16.71
			(14.10)	(11.43)	70.95	(19.41)	17.47
B	Non-current liabilities						
	Long-term borrowings	VII (A)	5.02	-	-	-	-
	Other long term liabilities	VIII (A)	34.78	52.40	0.21	0.02	0.05
	Long term provisions	VIII (B)	12.84	10.50	8.09	6.80	4.69
			52.64	62.90	8.30	6.82	4.74
C	Current liabilities						
	Short-term borrowings	VII (B)	267.27	148.13	254.98	87.93	23.96
	Trade payables	IX (A)	208.42	209.62	182.40	236.29	151.45
	Other current liabilities	IX (B)	442.34	381.51	316.82	281.88	199.72
	Short term provisions	IX (C)	46.90	25.70	51.83	49.23	41.44
			964.93	764.96	806.03	655.33	416.57
	Total Equity and Liabilities (A+B+C)		1,003.47	816.43	885.28	642.74	438.78
	Assets						
D	Non-current assets						
	Fixed assets						
	Tangible assets		161.52	150.35	147.74	120.07	82.03
	Intangible assets		74.45	34.18	24.45	29.58	6.00
	Intangible assets under Development		2.64	43.13	2.22	2.39	0.65
	Non-current Investments	X	2.40	29.69	12.50	1.04	13.91
	Long term loans and advances	XI	113.32	130.65	128.82	94.69	71.35
			354.33	388	315.73	247.77	173.94
E	Current assets						
	Trade receivables	XII	11.33	16.25	14.94	25.21	24.97
	Cash and bank balances	XIII	524.90	367.74	307.79	324.43	215.95
	Short term loans and advances	XIV (A)	78.18	40.70	243.35	35.99	23.76
	Other current assets	XIV (B)	34.73	3.74	3.47	9.34	0.16
			649.14	428.43	569.55	394.97	264.84
	Total Assets (D+E)		1,003.47	816.43	885.28	642.74	438.78

Note:

1) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profit and loss and cash flows as appearing in Annexure IVA and IVB.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration number: 101049W

Chartered accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Matrimony.com Limited
Annexure II - Restated Unconsolidated Summary Statement of Profits and Losses

(All amounts are in INR million unless otherwise stated)

Particulars	Annexure No.	Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Income from continuing operations						
Revenue from operations						
Matchmaking services		2,319.91	1,988.55	1,873.22	1,459.51	1,009.02
Marriage services		73.50	50.74	9.93	-	-
Other income	XV	12.92	20.89	3.29	5.30	11.43
Total revenue		2,406.33	2,060.18	1,886.44	1,464.81	1,020.45
Expenses						
Employee benefit expenses	XVI (A)	1,031.64	845.02	718.16	516.28	335.22
Advertisement and business promotion expenses	XVI (B)	554.57	513.00	516.38	497.51	395.24
Other expenses	XVI (C)	595.35	565.52	487.62	361.07	241.39
Total expenses		2,181.56	1,923.54	1,722.16	1,374.86	971.85
Restated earnings before exceptional items, interest, tax, depreciation and amortisation (EBITDA)		224.77	136.64	164.28	89.95	48.60
Depreciation and amortisation expense		79.47	53.94	64.02	38.15	20.72
Finance cost		15.39	7.89	13.68	2.67	17.55
Finance income		(33.28)	(31.78)	(39.66)	(21.79)	(3.53)
Restated earnings before exceptional items and tax, from continuing operations		163.19	106.59	126.24	70.92	13.86
Less: Exceptional items	XVII	207.84	188.97	31.65	(1.00)	-
Tax expense (refer note 2 below)		-	-	-	-	-
Restated profit / (loss) after tax from continuing operations (A)		(44.65)	(82.38)	94.59	71.92	13.86

Matrimony.com Limited**Annexure II - Restated Unconsolidated Summary Statement of Profits and Losses (continued)**

Particulars	Annexure No.	Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Discontinuing operations						
Restated loss before tax from discontinuing operations		-	-	-	(108.80)	(21.72)
Tax expense of discontinuing operations		-	-	-	-	-
Restated loss after tax from discontinuing operations (B)		-	-	-	(108.80)	(21.72)
Restated profit / (loss) for the year (A+B)		(44.65)	(82.38)	94.59	(36.88)	(7.86)

Note:

1) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.

2) During the years ended March 31, 2015, 2014, 2013, 2012 and 2011, the Company does not have any tax liability arising out of the profits from continuing operations on account of set off of the carried forward losses of the earlier years and losses from the discontinued operations. Accordingly, the Company does not have any tax expenses for each of those years.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration number: 101049W

Chartered accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Annexure III - Restated Unconsolidated Summary Statement of Cash Flows

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES					
Restated profit before tax from continuing operations before exceptional items	163.19	106.59	126.24	70.92	13.86
Loss before tax from discontinuing operations	-	-	-	(108.80)	(21.72)
Adjustment to reconcile profit / (loss) before tax to net cash flows					
Depreciation and amortisation	79.47	53.94	64.02	38.68	22.25
Loss on sale / scrap of fixed assets (net)	1.23	8.09	5.20	6.64	-
Unrealised foreign exchange loss / (gain)	(0.84)	(3.51)	0.27	0.59	0.10
Loss on disposal of subsidiary (refer note 4 in Annexure XVII)	65.60	-	-	-	-
Profit on sale of non-current investments (refer note 4 in Annexure XVII)	(4.00)	-	-	(1.00)	-
Provision for doubtful debts and advances	0.26	1.05	0.38	13.00	7.68
Provision for EPF litigation (refer annexure IX)	16.29	-	-	-	-
Liabilities no longer required written back	(1.05)	(5.90)	(0.56)	(2.34)	(7.14)
Interest expense	14.49	7.07	12.69	1.19	1.15
Interest income	(33.28)	(31.78)	(39.66)	(21.79)	(3.11)
Operating profit / (loss) before working capital changes (as restated)	301.36	135.55	168.58	(2.91)	13.07
Movement in working capital					
(Increase) / decrease in Trade receivables	4.66	(2.49)	10.27	(9.15)	(6.41)
(Increase) / decrease in Short term loans and advances	(72.04)	(8.89)	2.97	(9.04)	6.98
(Increase) / decrease in Long term loans and advances	21.60	9.95	(42.47)	(19.53)	(27.04)
(Increase) / decrease in Other current assets	(16.69)	(0.26)	1.65	(4.11)	2.02
Increase / (decrease) in Trade payables	0.60	45.62	(40.07)	103.63	25.21
Increase in Other current liabilities	20.76	59.39	34.95	60.61	59.80
Increase / (decrease) in Other non-current liabilities	11.23	(0.10)	0.19	-	(0.11)
Increase / (decrease) in Long / short term provisions	23.53	(23.63)	6.26	9.61	8.63
Cash flow from operations	295.01	215.14	142.33	129.11	82.15
Income taxes paid (net of refunds)	(4.28)	(8.38)	3.42	(3.72)	(1.91)
Net cash generated from operating activities before exceptional items	290.73	206.76	145.75	125.39	80.24
Cash flow from / (used in) Exceptional items	(210.69)	(150.07)	(31.66)	1.00	-
Net cash generated from operating activities (A)	80.04	56.69	114.09	126.39	80.24

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
B. CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES					
Purchase of fixed assets including intangible assets and capital advances	(98.23)	(109.39)	(98.15)	(109.08)	(61.34)
Proceeds from sale of fixed assets	0.86	1.51	0.42	0.38	0.03
Investment in redeemable preference shares	-	(50.00)	-	-	-
Redemption of redeemable preference shares	-	50.84	-	-	-
Purchase of non-current investments	(1.95)	(17.20)	(11.65)	(0.10)	-
Proceeds from disposal of non-current investments	2.20	-	0.14	1.07	-
Proceeds from redemption of debentures	-	-	-	12.90	-
Interest received	18.98	28.38	36.18	14.49	2.64
Investment in bank deposits (with maturity more than three months)	(67.90)	(53.54)	3.48	(99.93)	(144.64)
Net cash used in investing activities (B)	(146.04)	(149.40)	(69.58)	(180.27)	(203.31)
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES					
Proceeds from issue of equity share capital	42.77	-	-	-	-
Advance (given) / repaid (to) by enterprises in which directors are interested	-	211.25	(211.25)	-	-
Proceeds from long term borrowings (net)	8.21	-	-	-	-
Issue of preference shares	-	-	-	-	134.19
Proceeds from / (Repayment of) short term borrowings (net)	115.94	(106.85)	167.05	63.97	(8.16)
Interest paid	(14.49)	(7.07)	(12.69)	(1.19)	(1.15)
Net cash generated from / (used in) financing activities (C)	152.43	97.33	(56.89)	62.78	124.88
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	86.41	4.65	(12.40)	8.90	1.83
Effect of exchange differences on Cash & Cash Equivalents held in foreign currency	2.84	1.79	0.17	(0.35)	-
Cash and Cash Equivalents at the beginning of the year	17.12	10.71	23.87	15.32	13.51
Cash and Cash Equivalents transferred pursuant to demerger (Refer note 4 of Annexure IV A)	-	-	(0.95)	-	-
Cash and Cash equivalents at the end of the year	106.39	17.12	10.71	23.87	15.32

Matrimony.com Limited**Annexure III - Restated Unconsolidated Summary Statement of Cash Flows (continued)**

Components of Cash and Cash Equivalents	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Cash on hand	5.66	4.91	3.33	3.02	2.00
Cheques on hand	3.61	3.55	1.58	1.37	1.16
Deposits with original maturity of less than three months	30.00	-	-	-	-
Balances with banks on current account	67.12	8.66	5.80	19.48	12.16
Total	106.39	17.12	10.71	23.87	15.32

Note:

1) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profit and loss and cash flows as appearing in Annexure IVA and IVB.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration number: 101049W

Chartered accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Notes to the restated unconsolidated summary statement of assets and liabilities, profit and loss and cash flows for the year ended March 31, 2015, 2014, 2013, 2012 and 2011:

1 Background

Matrimony.com Limited ("the Company") offers online matchmaking services on internet and mobile platforms. The Company delivers matchmaking services to users in India and the Indian diaspora through websites, mobile sites and mobile apps complemented by a wide on-the-ground network in India. Such services are primarily delivered online through popular domain specific web portals like BharatMatrimony.com, CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com. Revenue comprises of membership subscription, assisted matrimonial service fees and sales from online advertising packages.

The Company expanded into marriage services such as MatrimonyDirectory.com, a listing website for matrimony-related directory services including listings for wedding related services such as wedding planners, venues, cards and caterers. The Company has also recently introduced MatrimonyPhotography.com to provide wedding photography and videography services.

Up to the year ended March 31, 2012, the Company had a division which provided property listing and advisory services, which was demerged pursuant to the Court order with effect from April 1, 2012. Refer note 4 of Annexure IVA for further details. The matrimonial services have been reported as continuing operations and the property listing and advisory services business was been reported as discontinuing operations in these restated unconsolidated summary statements.

The company changed its name from "Consim Info Private Limited" to "Matrimony.com Private Limited" with effect from August 17, 2012.

At the extra-ordinary general meeting of the shareholders held on December 2, 2014, the shareholders approved the conversion of the Company from Private limited Company to a Public limited Company, and approved the change in the name of the Company from Matrimony.com Private Limited to Matrimony.com Limited. The Company received a certificate of change in name from the Registrar of Companies on January 2, 2015.

2 Basis of preparation

The Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company as at March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and the related Restated Unconsolidated Summary Statement of Profits and Losses and the Restated Unconsolidated Summary Statement of Cash Flows for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and annexures thereto (herein collectively referred to as 'Restated Unconsolidated Summary Statements') have been compiled by the management from the then audited unconsolidated financial statements of the Company for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011.

The audited unconsolidated financial statements of the Company were prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared the audited unconsolidated financial statements to comply in all material respects with the accounting standards specified under the Companies Act, 1956 (the "Act") and (as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The audited unconsolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used for the purpose of preparation of financial statements as at and for the year ended March 31, 2015, except for changes in accounting policies detailed in 3.13 "Segment Reporting" section in significant accounting policies.

The Restated Unconsolidated Summary Statements have been prepared to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the relevant provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

3 Summary of significant accounting policies

3.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.2 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

3.3 Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight line basis using the rates arrived at based on the useful lives estimated by management. Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV to the Companies Act, 1956 were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. From the year March 31, 2015, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013, which prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Based on internal evaluation of past usage and technical assessments, the company has used the following rates to provide depreciation on its fixed assets in each of the years:

Category of assets	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Furniture and fixtures	2-5	2-5	2-5	16	16
Computer and Network Equipment	4-6	6	6	6	6
Vehicles	5	5	5	10.5	10.5
Plant & Machinery	5	5	NA	NA	NA
Office Equipment	2-7	2-7	2-7	3-21	3-21

During the year ended March 31, 2013, the Company revised the estimated useful life of furniture and fixtures, office equipment, vehicles and leasehold improvements, which has resulted in additional charge of depreciation amounting to Rs. 12.66 million in that year. Further, during the year ended March 31, 2015, the company revised the estimated useful lives of Computers and Network Equipment which has resulted in additional charge of depreciation amounting to Rs. 8.86 million in that year. These changes are considered as a change in the estimates and consequently no retrospective adjustments have been made.

Wherever the Company has applied useful lives different from Schedule II of the Companies Act, 2013, adequate internal assessment and technical evaluation has been performed.

Leasehold improvements are amortised over the primary period of lease or 7 years, whichever is lesser.

3.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Acquired domain names are amortised on straight line basis over the period of rights, ranging between 1 to 10 years.

Expenses incurred on first time development of online portals are capitalised as “Portal Development” and are amortised on straight line basis over a period of 3 years.

Computer software is depreciated using the straight-line method over a period based on management’s estimate of useful lives of such software (3 years), or over the license period of the software, whichever is shorter.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.5 Leases

Where the company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

3.6 Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset’s recoverable amount, as the higher of an asset’s or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value at the pre-tax discount rate reflecting current market assessment of time value of money and risks specific to asset. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. . In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

3.7 Investment

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

3.8 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Income from services

Revenue from subscriptions towards matrimony service contracts are recognised pro-rata over the period of the contract as and when services are rendered.

Revenue from photography service contracts are recognised on the basis of proportionate completion method where the revenue is recognised proportionately with the degree of completion of services.

The company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

3.9 Foreign currency translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on translation/ settlement of foreign currency monetary items are recognised as income or as expenses in the period in which they arise.

3.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Retirement benefit in the form of gratuity is a defined benefit scheme. The costs of providing benefit under this plan are determined on the basis of actuarial valuation at each year-end, using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided based on the actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

3.11 Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income-tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the "Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement.

3.12 Employee Stock Compensation Cost

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

3.13 Segment reporting

Change in accounting policy

Identification of Segments

In accordance with the Accounting Standard - 17- "Segment reporting" notified by Companies (Accounting Standard) Rules, 2014, the Company presented its segmental information adopting business segment as the primary reporting format and geographical segment as the secondary reporting format.

Till the previous year ended March 31, 2014, the Company has presented its entire business as a single segment.

During the year ended March 31, 2015, in view of certain new products launched by the company and based on the internal structure and evaluation of risks and rewards of the various section of the business, the company has identified three business segments viz. "Matchmaking services", "Marriage services and related sale of products" and "Others" segments as the primary reportable segments.

The segment disclosure for the earlier years have also been prepared and disclosed in accordance with the revised segment policy in these Restated Unconsolidated Summary Statements.

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment on a reasonable basis.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

3.14 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.15 Provisions

A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

3.16 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

3.17 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

3.18 Measurement of EBITDA

As permitted by Schedule III of Companies Act, 2013 (erstwhile Revised Schedule VI to the Companies Act, 1956), the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the company does not include depreciation and amortisation expense, finance costs, finance income and tax expense.

4 Discontinuing operation - Demerger of property listing and advisory services business

During the year ended March 31, 2013, the shareholders of the Company approved a composite Scheme of Arrangement and Demerger ("the Demerger Scheme") between the Company and India Property Online Private Limited ("India Property") under which, the property listing and advisory services business ("Demerged Undertaking") of the Company was demerged, transferred to and vested in India Property with effect from April 1, 2012 ("Appointed Date"). The Demerger Scheme was sanctioned by the Hon'ble High Court of Judicature at Madras ("the Court") on February 15, 2013 and registered with the Registrar of Companies on March 1, 2013, thereby becoming effective and binding.

All assets and liabilities of the Demerged Undertaking as at April 1, 2012, were transferred to and vested in India Property on a going concern basis, at their respective book values. The excess of the assets over liabilities of the Demerged Undertaking aggregating to Rs. 4.23 million has been adjusted against Securities Premium account in accordance with the provision of the Demerger Scheme. In consideration of the transfer of the Demerged Undertaking, the shareholders (equity and preference) of the Company were allotted 4,232,297 Equity shares of Re. 1/- each, credited as fully paid up in India Property, in the same proportion in which they held equity shares in the Company.

The loss attributable to the property listing and advisory services business (the discontinuing operations) net of related income tax expense has been disclosed separately in the Statement of Profit and Loss. The following statement shows the revenue and expenses of discontinuing operations:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Revenue	-	-	-	94.32	65.01
Expenses	-	-	-	203.12	86.73
Loss before tax	-	-	-	(108.80)	(21.72)
Tax expense	-	-	-	-	-
Loss after tax	-	-	-	(108.80)	(21.72)

All assets and liabilities of the Demerged Undertaking as at April 1, 2012, were transferred to and vested in India Property on a going concern basis, at their respective book values. A summary of assets and liabilities transferred is as follows:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Total assets	-	-	-	24.29	19.39
Total liabilities	-	-	-	20.06	14.52
Net assets	-	-	-	4.23	4.87

The net cash flows attributable to the discontinuing operations is as below:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Operating activities	-	-	-	(102.11)	(18.14)
Investing activities	-	-	-	0.40	-
Total income	-	-	-	(101.71)	(18.14)

5 Employee benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 1.00 million. The plan assets are in the form of corporate bonds in the Company's name with Reliance Life Insurance in India.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Current service cost	3.85	3.87	4.51	3.63	2.74
Interest cost	1.25	1.18	1.05	0.76	0.51
Expected return on plan assets	(0.04)	(0.03)	(0.01)	-	-
Past service cost	-	-	-	-	0.92
Net actuarial loss	2.48	1.54	0.20	(0.84)	(1.00)
Net employee benefit expense	7.54	6.56	5.75	3.55	3.17

Note: The gratuity cost amounting to Rs. 0.37 million relating to the demerged business for the year ended March 31, 2012 have been considered as a part of the employee benefits expense of the discontinued operation. Refer note 4 of Annexure IVA.

Balance sheet

Details of provision for gratuity

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Defined benefit obligation	25.97	20.82	16.48	13.27	10.02
Fair value of plan assets	1.03	0.42	0.24	0.06	0.36
Net liability recognised in the Balance Sheet	24.94	20.40	16.24	13.21	9.66
Experience adjustments on plan liabilities-(loss)/gain	(3.07)	(1.75)	1.75	(4.27)	0.60
Experience adjustments on plan assets-(loss)/gain	-	(0.01)	0.03	0.01	-

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Opening defined benefit obligation	20.82	16.48	13.27	10.02	7.01
Liability transferred on account of demerger	-	-	(1.89)	-	-
Current service cost	3.85	3.87	4.51	3.63	2.74
Interest cost	1.25	1.18	1.05	0.76	0.51
Actuarial (gain) / loss	2.48	1.53	0.23	(0.83)	(1.00)
Past service cost	-	-	-	-	0.92
Benefits paid	(2.45)	(2.24)	(0.68)	(0.31)	(0.17)
Closing defined benefit obligation	25.95	20.82	16.49	13.27	10.01

Changes in the fair value of plan assets are as follows:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Opening fair value of plan assets	0.43	0.24	0.06	0.36	-
Acquisition adjustment	-	-	-	-	-
Expected return on plan assets	0.03	0.03	0.01	-	-
Contributions	3.01	2.41	0.82	-	0.53
Actuarial gain / (loss)	-	(0.01)	0.03	0.01	-
Benefits paid	(2.45)	(2.24)	(0.68)	(0.31)	(0.17)
Closing fair value of plan assets	1.02	0.43	0.24	0.06	0.36
Actuarial return on plan assets	0.05	0.02	0.04	0.01	-

Actuarial assumptions

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Discount rate	7.80%	8.50%	7.70%	8.10%	7.67%
Expected return on plan assets	8.00%	8.00%	8.00%	8.00%	8.00%
Salary escalation	8.00%	10.00%	10.00%	10.00%	10.00%
Attrition	60.00%	60.00%	60.00%	60.00%	30.00%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Expected contribution for the year ended March 31, 2016 is Rs. 12.10 million.

6 Operating Lease

Office premises (including retail outlets' premises) are obtained under operating leases. The lease rentals incurred during the year have been charged as expenses in the Statement of Profit and Loss, the details of which are given below. The lease term varies between 3 years to 9 years. The future lease rental payables as follows:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Lease payments for the year	175.30	172.04	167.00	103.89	72.46
Future lease payments:					
Not later than one year	151.82	161.69	108.83	101.56	23.34
Later than one year but not later than five years	278.70	308.81	259.79	337.32	2.22
Later than five years	17.58	19.83	33.33	64.63	-

7 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

Particulars	Year ended				
	Year ended	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Principal amount due to micro and small enterprises	-	-	-	-	-
Interest due on above	-	-	-	-	-
Total	-	-	-	-	-

The information regarding micro or small enterprise has been determined on the basis of information available with the management.

8 Employee Stock Option Scheme

- 8.1 On October 13, 2010, the Board of Directors approved the Employee Stock Option Scheme for providing stock options to its employees ("ESOS 2010"). The said scheme has been subsequently amended and renamed as Employee Stock Option Scheme 2014 ("ESOS 2014" or "Scheme") vide resolution passed in the Board Meeting dated April 7, 2014. The Scheme has also been approved by Extra-Ordinary General Meeting of the members of the Company held on November 19, 2010 and April 11, 2014, noting the approval accorded to the original Scheme and the subsequent amendments respectively. The Scheme is administered by the Nomination and Remuneration Committee of the Board. The details of Scheme are given below:

Exercise Period:

As per the Scheme, the options can be exercised with in a period of 5 years from the date of vesting.

Details of Grant under ESOS 2014

Grant	Date of Grant	Number of options granted*	Vesting period	Manner of vesting
Grant 1 & 2	13-Oct-2010	3,236	13-Oct-2010 to 13-Oct-2011	Eligible on a graded manner over a two year period with 75% of the grants vesting immediately on the date of the grant and the balance 25% of the grants vesting at the end of one year from the date of grant.
Grant 3, 4, 5 & 6	14-Apr-2014	381,772	14-Apr-2014 to 14-Oct-2018	Eligible on a graded manner over four years and six months period with 30% of the grants vesting at the end of 12-30 months from the date of grant. The remaining 30% and 40% of the grants vest at the end of 24-42 months from the date of grant and 36-54 months from the date of grant respectively.
Grant 7 & 8	25-Sep-2014	26,531	25-Sep-2014 to 01-Oct-2018	Eligible on a graded manner over four years period with 30% of the grants vesting at the end of 18-24 months from the date of grant. The remaining 30% and 40% of the grants vest at the end of 30-36 months from the date of grant and 42-48 months from the date of grant respectively.

* The number of options granted were subsequently adjusted for bonus and consolidation of shares, wherever applicable. The impacts of such adjustments are also reflected in 8.2 below.

8.2 Activity in the options outstanding under ESOS 2014

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Options outstanding at the beginning of the year	84,136	84,136	84,136	3,236	-
Options granted during the year	408,303	-	-	-	3,236
Increase on account of Bonus (Refer note 5.3, 5.8 and 5.9 in Annexure V for details)	346,784	-	-	249,172	-
Adjustments on account of Consolidation (Refer note 5.4 in Annexure V for details)	-	-	-	(168,272)	-
Options exercised during the year	(116,528)	-	-	-	-
Options outstanding at the end of the year	722,695	84,136	84,136	84,136	3,236
Vested at the end of the year	-	84,136	84,136	84,136	2,427
Options exercisable at the end of the year	-	84,136	84,136	84,136	2,427

The weighted average share price at the date of exercise of the options was Rs. 109.75/- (Face value Rs. 3/- per share)

8.3 Details of Exercise price and Remaining contractual life of options outstanding:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Exercise price per option (Rs.) (Refer note below)	62.00	58.65	58.65	58.65	58.65
Remaining contractual life of options (in years)	5.04 to 6.51	2.34	3.34	4.34	5.34

Note:

Exercise price per option disclosed for the year ended March 31, 2011, 2012, 2013 and 2014 is after considering adjustments for bonus issues and the consolidation of shares effected during the years ended March 31, 2012 and March 2015 mentioned in notes 5.3, 5.4, 5.8 and 5.9 in Annexure V.

Exercise price per option disclosed for the year ended March 31, 2015 is after considering adjustments for bonus issues effected during the year ended March 31, 2015 mentioned in note 5.8 and 5.9 in Annexure V.

8.4 Fair value methodology

The Company has obtained fair valuation report from an independent valuer and the fair value is calculated using the Black Scholes model.

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Exercise price per option (Rs.)	62.00	-	-	-	58.65
Weighted average fair value per share	62.00	-	-	-	58.65
Weighted average fair value of options granted.	50.00	-	-	-	10.89
Expected volatility	33.33% to 34.21%	-	-	-	0%
Life of the options granted (vesting and exercise period in years)	4 to 6.97 years	-	-	-	2.5 to 3.5 years
Average risk free interest rate	8.57% to 9.11%	-	-	-	7.47%
Expected dividend yield	0%	-	-	-	0%

Note:

Exercise price per option, weighted average fair value of options granted and weighted average fair value per share disclosed for the year ended March 31, 2011 is after considering adjustments for bonus issues and the consolidation of shares effected during the years ended March 31, 2012 and March 2015 mentioned in note 5.3, 5.4, 5.8 and 5.9 in Annexure V.

Exercise price per option, weighted average fair value of options granted and weighted average fair value per share disclosed for the year ended March 31, 2015 is after considering adjustments for bonus issues effected during the year ended March 31, 2015 mentioned in note 5.8 and 5.9 in Annexure V.

The Company has not issued any Grants under the Scheme in the financial years ended March 31, 2011, 2013 and 2014.

- 8.5 The Company follows the intrinsic value method for accounting the compensation cost. In accordance with Para 48 of the Guidance note on accounting for employee share based payments issued by Institute of Chartered Accountants of India, had the compensation cost for employee stock option plan been recognized based on the fair value at the date of grant in accordance with Black-Scholes model, the pro forma amounts of the Company's net profit and earnings per share would have been as follows:

Particulars	Granted during the year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Profit / (Loss) after tax from total operations					
- As reported	(44.65)	(82.38)	94.59	(36.88)	(7.86)
- Pro forma	(55.27)	(82.38)	94.59	(37.14)	(8.10)
Earnings per share in Rs.					
Basic					
- As reported	(1.84)	(3.46)	3.97	(1.55)	(0.33)
- Pro forma	(2.28)	(3.46)	3.97	(1.56)	(0.34)
Diluted					
- As reported	(1.84)	(3.46)	2.69	(1.55)	(0.33)
- Pro forma	(2.28)	(3.46)	2.69	(1.56)	(0.34)

During the financial years ended March 31, 2013 and 2014, no Grants were under vesting, accordingly the pro forma profit / loss for these years has no impact.

- 8.6 Subsequent to the year ended March 31, 2015, the Nomination & Remuneration committee has approved the grant of 80,000 stock options to qualifying employees on July 17, 2015 at an exercise price of Rs. 210/- per option. The revised number of options outstanding and the revised exercise price (as adjusted for the effect of consolidation of shares detailed in note 8.7 below) is 48,000 and Rs. 350/- per option.
- 8.7 Subsequent to March 31, 2015, the Board of Directors of the Company have, in their meeting held on August 5, 2015 approved the consolidation of the shares as follows - every 5 (Five) existing equity shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) equity shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) preference shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up. The revised number of options outstanding and the revised exercise price (as adjusted for the effect of consolidation of shares) as at March 31, 2015 is 433,617 and Rs. 103/- per option.

9 Deferred tax

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Deferred tax liability					
Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	-	-	0.92	3.95	3.50
Gross deferred tax liability	-	-	0.92	3.95	3.50
Deferred tax asset					
Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	1.98	1.26	-	-	-
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis	24.56	16.02	22.40	20.00	16.99
Provision for doubtful debts and advances	0.28	0.38	0.10	3.02	5.56
Provision for deposits	0.58	0.33	0.31	0.28	0.24
Unabsorbed depreciation carried forward	43.15	24.34	6.19	16.56	11.54
Business losses carried forward	184.87	237.04	225.42	225.42	230.80
Gross deferred tax asset	255.42	279.37	254.42	265.28	265.13
Deferred tax asset restricted to	-	-	0.92	3.95	3.50
Net deferred tax asset / deferred tax liability	-	-	-	-	-

Note:

1) The Company received tax demands from the Assessing Officer of Income tax for the Assessment Year 2008-09 and 2009-10 in relation to the disallowance of reimbursement of certain expenses incurred by wholly owned subsidiaries of the Company on Company's behalf amounting to Rs. 38.13 million and Rs. 23.41 million for Assessment year 2008-09 and Rs. 41.75 million for Assessment year 2009-10 respectively, due to non - deduction of withholding taxes on the same. The Company received a favourable order from Commissioner of Income Tax (Appeals) and the matter is pending with Income Tax Appellate Tribunal (ITAT). The Management believes that the ultimate outcome of this proceeding would be favourable.

2) In the absence of virtual certainty supported by convincing evidence, deferred tax asset arising on account of the carried forward business losses (including unabsorbed depreciation) and other disallowances has been restricted to the extent of the deferred tax liability, if any.

10 Commitments, Claims and Other Contingent Liabilities

A) Commitments

Capital commitments:

The details of capital commitments as at the balance sheet date are as below:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Capital commitments (net of advances and deposit)	23.01	7.08	0.40	-	-

Other commitments:

For commitments relating to operating lease, refer note 6 of Annexure IVA.

B) Claims against the Company not acknowledged as debt

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Claims against the Company not acknowledged as debt	Refer note below	Refer note below	Refer note below	Refer note below	Refer note below

Note:

In a law suit filed in May 2011 in the Superior Court of New Jersey, Mercer County, Law Division, USA by certain plaintiffs, the Company's US subsidiary Consim Info USA Inc., USA, Infonauts Inc., USA (Promoter owned entity) and subsequently in 2012, Murugavel Janakiraman ("Promoter") and the Company were made co-defendants. The said suit has been filed on the basis of a Term Sheet signed on March 3, 2001, by the Promoter of the Company as the signatory of Infonauts Inc., USA. The Term Sheet, provided, inter alia for a loan of \$100,000 to Infonauts Inc., USA and 10% equity interest in "Bharatmatrimony.com" subject to certain adjustments. A binding commitment between the parties to the transactions (other than as set forth in the sections titled "Confidentiality", "Expenses" and "Exclusivity" of the Term Sheet) was to result upon execution of a definitive agreement and a purchase of equity agreement only. The Company understands that the definitive agreement and the purchase of equity agreement were never executed. Further, the Company understands that the said loan was received by Infonauts Inc., USA in two instalments, in 2001 and repaid in instalments by Infonauts Inc., USA,. The plaintiffs have in the law suit claimed inter alia, specific performance of the Term Sheet awarding them all lawful interest in Bharatmatrimony.com and all businesses, websites and other income-producing entities that have grown out of "Bharatmatrimony.com" and a constructive trust on such businesses. The Company commenced legal action against such claim, including filing for dismissal of the case on various grounds. Management believes, as the Company was not a party to the original Term Sheet and has not incurred any obligation to the plaintiffs, the claim is not enforceable against the Company or its subsidiaries and no right has crystallised.

C) Guarantees

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Corporate guarantee (Refer note below)	0.25	-	-	-	-

Note:

The Company has provided corporate guarantee to Matchify Services Private Limited (a wholly owned subsidiary) in respect of financial obligation up to Rs. 0.25 million.

D) Other contingent liabilities

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Service tax	Refer note (i) below	Refer note (i) below	Refer note (i) below	Refer note (i) below	Refer note (i) below
FEMA non-compliance	Refer note (ii) below	Refer note (ii) below	Refer note (ii) below	Refer note (ii) below	Refer note (ii) below

Note:

(i) The Company has certain pending litigations with CESTAT, and on a prudent basis, the Company has provided for the service tax liabilities and interest. Further the Company received a demand order from Commissioner of Service tax for the period 2007-08 to 2009-10 under section 78 of the Finance Act regarding non-payment of service tax on import of certain services made during that period. The Company admitted the liability and made payments along with interest. Based on legal consultation, it believes that no provision is required to be made in the books in respect of the penalty of Rs. 6.91 million demanded by the authorities.

(ii) The Company has filed compounding application dated May 16, 2015 under Foreign Exchange Management Act, 1999 in response to the compounding memo issued by Reserve Bank of India for the delay in intimation of inward remittance towards investments received from non-resident investors and filing of Form FC-GPR for certain cases. Management believes that the matter will not have any material impact on the financial statements.

As per our report of even date

For S.R.Batliboi & Associates LLP

ICAI Firm Registration number: 101049W

Chartered accountants

Shankar Srinivasan**Partner**

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Matrimony.com Limited**Annexure IV B - Notes on material adjustments**

Summary of results of restatement made in the audited unconsolidated summary statements for the respective years and its impact on the profits / (losses) of the Company is as follows:

Figures in brackets represent decrease in profits.

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
(A) Net profit / (loss) as per audited financial statements	(44.35)	(82.38)	18.84	(3.72)	9.70
Restated adjustments:					
True up of revenue based on revised revenue recognition workings (Refer note 1 (a))	-	-	70.14	(19.09)	(23.22)
Lease rent adjustment, for straight lining of leases (Refer note 1(b))	-	-	5.61	(1.10)	(0.04)
Reversal of provision made for diminution of investment in erstwhile subsidiary (Refer note 1(c))	(0.30)	-	-	(12.97)	5.70
(B) Total adjustments	(0.30)	-	75.75	(33.16)	(17.56)
Tax impact on the above adjustments	-	-	-	-	-
Restated profit / (loss) (A+B)	(44.65)	(82.38)	94.59	(36.88)	(7.86)

1 Restatement adjustments**a) Revenue recognition**

Up to the year ended March 31, 2012, the Company recognised the subscription revenues by allocating the same over the subscription period in terms of months rather than day basis. During the year ended March 31, 2013, the Company rectified the same by recognising the subscription income over the subscription period in terms of days. The impact of such adjustment amounted to Rs. 70.14 million which was recognised as prior period item in the audited financial statements for the year ended March 31, 2013, has been adjusted in the respective years. The impact on the profit prior to the year ended March 31, 2010 amounting to Rs. 27.84 million has been considered to arrive at the opening reserves as at April 1, 2010. Refer note 4 below for further details.

b) Straight-lining of operating lease expenses

During the year ended March 31, 2013, the Company made adjustment towards the accrual of lease rent cost not recognised in the previous year by straight-lining the lease payments over the duration of the operating leases. The impact of such adjustment amounted to Rs. 5.61 million which was recognised as prior period expense in the audited financial statements for the year ended March 31, 2013, has been adjusted in the respective years. The impact on the profit prior to the year ended March 31, 2010 amounting to Rs. 4.47 million has been considered to arrive at the opening reserves as at April 1, 2010. Refer note 4 below for further details.

c) Sale of investment and redemption of debenture in subsidiary

Pursuant to a share purchase and share holders' agreement dated March 21, 2012 entered with certain buyers, the Company sold its investment of 67,700 equity shares in Perspi Interactive Private Limited to such buyers. Against the investment in the equity shares and debentures, the Company had made a provision of diminution in the value of investments amounting to Rs. 13.27 million, during the year ended March 31, 2010 and March 31, 2011. On redemption of debentures during the year ended March 31, 2012 and on sale of equity shares during the year ended March 31, 2015, the Company reversed the provision against such investments amounting to Rs. 12.97 million and Rs. 0.30 million as other income during the year ended March 31, 2012 and March 31, 2015 respectively. As part of other adjustments, such reversal has been made in the respective years in which the provision was originally created. The impact on the profit prior to the year ended March 31, 2011 amounting to Rs. 7.57 million has been considered to arrive at the opening reserves as at April 1, 2010. Refer note 4 below for further details.

2 Change in accounting policy

During the year ended March 31, 2015, in view of certain new products launched by the company and based on the internal structure and evaluation of risks and rewards of the various section of the business, the company has identified three business segments viz. "Matchmaking Services", "Marriage services and related sale of products" and "Others" segments as the primary reportable segments.

In the financial statements for the year ended March 31, 2015, this change in identification of segments has been identified as change in accounting policy.

The disclosure of segment information for the earlier years presented have also been restated and disclosed in accordance with the revised segment policy in these Restated Unconsolidated Summary Statements.

3 Material regroupings

The restated unconsolidated summary statements have been prepared based on the presentation requirements specified under Schedule III of the Companies Act, 2013, which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956. In respect of the year ended March 31, 2011, the Company reclassified the balances in accordance with the requirements applicable in the current year. The adoption of the Schedule III of the Companies Act, 2013 does not impact recognition and measurement principles followed for preparation of financial statements.

Appropriate adjustments have been made in the restated unconsolidated summary statements of Assets and Liabilities, Profit and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the year ended March 31, 2015, prepared in accordance with revised Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

4 Restatement adjustments made in the audited opening balance figure in the net deficit on the statement of the profit and loss as at April 01, 2010

Particulars	Amount (in Rs. million)
(A) Net deficit in the statement of profit and loss as at April 1, 2010 as per the audited financial statements	(950.22)
Other Adjustments	
True up of revenue based on revised revenue recognition workings (Refer note 1(a))	27.84
Lease rent adjustment, for straight lining of leases (Refer note 1(b))	4.47
Reversal of provision made for diminution of investment in erstwhile subsidiary (Refer note 1(c))	(7.57)
(B) Total Adjustments	24.74
Tax adjustments on the same	-
Net deficit in the statement of profit and loss as at April 1, 2010 (as restated)	(974.96)

5 Non adjusting items

A) Audit qualifications for the respective periods, which do not require any corrective material adjustments in the restated unconsolidated summary statements are as follows:

I) Annexure to auditor's report for the financial year ended March 31, 2015

(i) Clause (viii)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has not incurred cash losses in the current year. In the immediately preceding financial year, the Company has incurred cash loss.

II) Annexure to auditor's report for the financial year ended March 31, 2014

(i) Clause (ix) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of service tax. The provision relating to excise duty, investor education and protection fund and sales-tax are not applicable to the Company.

(ii) Clause (x)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and the Company has incurred cash losses in the current year. In the immediately preceding financial year, the Company has not incurred cash loss.

III Annexure to auditor's report for the financial year ended March 31, 2013

(i) Clause (ix) (a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of service tax. The provision relating to excise duty, investor education and protection fund and sales-tax are not applicable to the Company.

(ii) Clause (x)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and it has not incurred cash losses in the current and immediately preceding financial year.

IV) Annexure to auditor's report for the financial year ended March 31, 2012

(i) Clause (viii)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and it has not incurred cash losses in the current and immediately preceding financial year.

V) Annexure to auditor's report for the financial year ended March 31, 2011

(i) Clause (viii)

The Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth and it has not incurred cash losses in the current and immediately preceding financial year.

B) Change in the estimated useful life of fixed assets

During the year ended March 31, 2013, the Company revised the estimated useful life of furniture and fixtures, office equipment, vehicles and leasehold improvements, which has resulted in additional charge of depreciation amounting to Rs. 12.66 million in that year. Further, during the year ended March 31, 2015, the company revised the estimated useful lives of Computers and Network Equipment which has resulted in additional charge of depreciation amounting to Rs. 8.86 million in that year. These changes are considered as a change in the estimates and consequently no retrospective adjustments have been made.

As per our report of even date

For S.R.Batliboi & Associates LLP

ICAI Firm Registration number: 101049W

Chartered accountants

Shankar Srinivasan

Partner

Membership No: 213271

Place: Hyderabad

Date: August 11, 2015

Annexure V - Restated unconsolidated statement of share capital

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Share capital					
Authorised					
60,000,000 equity shares of Rs. 3/- each (March 31, 2014: 40,000,000 equity shares of Rs. 3/- each; March 31, 2013: 40,000,000 equity shares of Rs. 3/- each; March 31, 2012: 40,000,000 equity shares of Rs. 3/- each; and March 31, 2011: 5,000,000 equity shares of Re. 1/- each)	180.00	120.00	120.00	120.00	5.00
7,000,000 Optionally Convertible Preference Shares (OCPS) / Compulsorily Convertible Preference Shares (CCPS) of Rs. 3/- each (March 31, 2014: 7,000,000 OCPS/CCPS of Rs. 3/- each; March 31, 2013: 7,000,000 OCPS/CCPS of Rs. 3/- each; March 31, 2012: 7,000,000 OCPS/CCPS of Rs. 3/- each; March 31, 2011: 400,000 OCPS/CCPS of Re. 1/- each)	21.00	21.00	21.00	21.00	0.40
Total	201.00	141.00	141.00	141.00	5.40
Issued, subscribed and fully paid-up					
24,630,426 equity shares of Rs. 3/- each (March 31, 2014: 13,463,632 equity shares of Rs. 3/- each; March 31, 2013: 13,463,632 equity shares of Rs. 3/- each; March 31, 2012: 13,463,632 equity shares of Rs. 3/- each; March 31, 2011: 430,000 equity shares of Re. 1/- each)	73.89	40.39	40.39	40.39	0.43
Nil OCPS of Rs. 3/- each (March 31, 2014: 43,078 OCPS of Rs. 3/- each; March 31, 2013: 43,078 OCPS of Rs. 3/- each; March 31, 2012: 43,078 OCPS of Rs. 3/- each; March 31, 2011: 217,070 OCPS of Re. 1/- each) (Series - A)	-	0.13	0.13	0.13	0.22
3,220,500 CCPS of Rs. 3/- each (Series - A) (March 31, 2014: 3,317,110; March 31, 2013: 3,317,110; March 31, 2012: 3,317,110; March 31, 2011: Nil)	9.67	9.95	9.95	9.95	-
2,367,586 CCPS of Rs. 3/- each (Series - B) (March 31, 2014: 2,545,842 CCPS of Rs. 3/- each; March 31, 2013: 2,545,842 CCPS of Rs. 3/- each; March 31, 2012: 2,545,842 CCPS of Rs. 3/- each; March 31, 2011: 97,917 CCPS of Re. 1/- each)	7.10	7.64	7.64	7.64	0.09
424,788 CCPS of Rs. 3/- each (Series - C) (March 31, 2014: 424,788 CCPS of Rs. 3/- each; March 31, 2013: 424,788 CCPS of Rs. 3/- each; March 31, 2012: 424,788 CCPS of Rs. 3/- each; March 31, 2011: 16,338 CCPS of Re. 1/- each)	1.27	1.27	1.27	1.27	0.02
Total	91.93	59.38	59.38	59.38	0.76

Notes:**1 Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 3/- per share. Each holder of equity shares is entitled to one vote per share. All these shares have the same rights and preference with respect to payment of dividend, repayment of capital and voting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 Terms of conversion of CCPS

The preference shares will be converted into equal number of equity shares, subject to anti-dilution rights under clause 5.5 of the agreement, after the end of twenty years from the date of issue or before Initial Public Offer of the Company in India, and the option rests with the holder. In the event of liquidation of the Company before conversion of CCPS, the holders of CCPS will have priority over equity shares in the repayment of capital.

Consequent to the grant of bonus shares to equity shares holders as detailed in notes 5.8 and 5.9 below, the conversion ratio for such CCPS has been revised in accordance with the terms of the underlying agreements and now stands at 1.77 resultant equity shares for every preference share held in the Company.

- 3 The Company has not issued shares for consideration other than cash, except for the conversion / bonus issue mentioned in note 5.2, 5.3, 5.6, 5.8 and 5.9 below.
- 4 For details of shares reserved for issue under the employee stock option plan of the company, please refer note 8 in Annexure IV-A.
- 5 **Details of shares transactions during the year ended March 31, 2015, 2014, 2013, 2012 and 2011**
 - 5.1 On March 25, 2011, the Company issued 16,338 fully paid-up CCPS of face value Re. 1/- per share (Series C).
 - 5.2 On September 28, 2011, the Company converted 87,832 (Series - A) OCPS of face value Re. 1/- each share to equal number of equity shares of face value of Re. 1/- each.
 - 5.3 On January 7, 2012, the Company issued bonus shares in the ratio of 77:1 to all the shareholders of the Company. The share premium of Rs. 58.62 million has been utilised for the said bonus issue. In order to facilitate the bonus issue, the authorised share capital was increased to Rs. 141.00 million comprising of 120 million equity shares of Re. 1/- each and 20 million preference shares of Re. 1/- each.
 - 5.4 On January 23, 2012, the authorised share capital of the Company amounting to Rs. 141.00 million was consolidated into 40 million equity shares of Rs. 3/- each and 7 million preference shares of Rs. 3/- each.
 - 5.5 On December 31, 2014, the authorised share capital of the Company has been increased from Rs. 141.00 million (including 40,000,000 equity shares of Rs. 3/- and 70,00,000 OCPS/CCPS of Rs. 3/- each) to Rs. 201.00 million (including 600,00,000 equity shares of Rs. 3/- each and 70,00,000 equity shares of Rs. 3/- each).
 - 5.6 On November 26, 2014, the Company converted 1,254 (Series - A) OCPS of face value Rs. 3/- each, 96,610 (Series - A) CCPS of face value Rs. 3/- each and 1,78,256 (Series - B) CCPS of face value Rs. 3/- each into equal number of equity shares of face value of Rs. 3/- each.
 - 5.7 On December 30, 2014, the Company issued 49,783 fully paid-up equity shares of face value Rs. 3/- per share on preferential basis.
 - 5.8 On December 31, 2014, the Company issued bonus shares to the existing shareholders, in the ratio of 18:100. The Securities premium account was utilised to the extent of Rs. 7.47 million for the issue of said bonus shares.
 - 5.9 On January 27, 2015, the Company issued bonus shares to the existing shareholders, in the ratio of 1:2. The Securities premium account was utilised to the extent of Rs. 24.48 million for the issue of said bonus shares.
 - 5.10 Subsequent to the year end, the board of directors of the company have, in their meeting held on August 05, 2015, approved the consolidation of shares as follows - every 5 (Five) existing equity shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) equity shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) preference shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up. Further, the total number of such consolidated equity shares constituting fractions of less than one equity share of Rs. 5/- each, aggregating to 12 equity shares, have been transferred to Mr. Murugavel J, Promoter and Managing Director, who will act as a trustee for and on behalf of such equity shareholders holding fractional shares.

The details of the shares outstanding as at March 31, 2015 (after providing effect of consolidation of shares mentioned above) are as follows:

Particulars	Amount (in Rs. million)
Authorised capital	
36,00,000 equity shares of Rs. 5/- each, fully paid up	180.00
4,200,000 CCPS of Rs. 5/- each, fully paid up	21.00
Paid up capital	
14,778,256 equity shares of Rs. 5/- each	73.89
1,932,300 CCPS of Rs. 5/- each (Series - A)	9.66
1,420,552 CCPS of Rs. 5/- each (Series - B)	7.10
254,872 CCPS of Rs. 5/- each (Series - C)	1.27

Matrimony.com Limited
Annexure VI - Restated unconsolidated statement of reserves and surplus

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Securities premium account					
Balance as per last financial statements	11.28	936.68	940.91	999.53	865.36
Add: receipt on issue of equity and preference shares	37.69	-	-	-	134.17
Add: additions on ESOP exercised	4.59	-	-	-	-
Less: amounts adjusted on capital restructuring (refer note 4 below)	-	(925.40)	-	-	-
Less: utilised for bonus shares issued (refer note 3, 5 & 6 below)	(31.95)	-	-	(58.62)	-
Less: utilised for conversion / redemption of preference shares (refer note 7 below)	(0.10)	-	-	-	-
Less: adjustment related to demerger (refer note 4 of annexure IV A)	-	-	(4.23)	-	-
Closing balance	21.51	11.28	936.68	940.91	999.53
B. Deficit i.e. the balance in statement of profit and loss as restated					
Balance as per last financial statements as restated	(82.09)	(925.11)	(1,019.70)	(982.82)	(974.96)
Add: amounts adjusted on capital restructuring (refer note 4 below)	-	925.40	-	-	-
Less: amounts adjusted as per transitional provisions of Schedule II of Companies Act, 2013	(0.8)	-	-	-	-
Add: restated profit / loss for the year	(44.65)	(82.38)	94.59	(36.88)	(7.86)
Net deficit in the statement of profit and loss as restated	(127.54)	(82.09)	(925.11)	(1019.70)	(982.82)
Total (A+B)	(106.03)	(70.81)	11.57	(78.79)	16.71

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A and IV B.
- 3) During the year ended March 31, 2012, the Company issued bonus shares in the ratio of 77:1 to all the shareholders of the Company. The equity shareholders were issued additional equity shares and the preference shareholders were issued additional compulsorily convertible preference shares as per the bonus ratio. The securities premium account was utilised to the extent of Rs. 58.62 million for the issue of the said bonus shares.
- 4) During the year ended March 31, 2014, the Company submitted a petition to the Hon'ble High Court of Judicature at Madras u/s 78 read with sections 100 to 105 of the Companies Act, 1956 to set-off the accumulated book losses as at March 31, 2013 amounting to Rs. 925.40 million against the unutilised portion of the "Securities Premium" as at March 31, 2013. The same has been approved by the Hon'ble High court on December 20, 2013, pursuant to which the amount of Rs. 925.40 million has been adjusted in books against Securities Premium.
- 5) On December 31, 2014 Company issued bonus shares to the existing shareholders, in the ratio of 18:100 and securities premium account was utilised to the extent of Rs. 7.47 million for such issue.
- 6) On January 27, 2015, the Company issued bonus shares to the existing shareholders, in the ratio of 1:2 and securities premium account was utilised to the extent of Rs. 24.48 million for such issue.
- 7) On March 15, 2015, the Company converted 41,824 optionally convertible preference shares into equity shares in the ratio of 1:1.77 and securities premium was utilised to the extent of Rs. 0.10 million for the conversion.

Matrimony.com Limited
Annexure VII - Restated unconsolidated statement of long-term and short-term borrowings

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Long-term borrowings					
Secured					
Vehicle loan (refer note 5 below)	8.21	-	-	-	-
Less: Current maturities of long term debts (refer annexure IX(B))	(3.19)	-	-	-	-
	5.02	-	-	-	-
B. Short-term borrowings					
Secured					
Bank overdraft (refer note 6 below)	267.27	148.13	254.98	87.93	23.96
	267.27	148.13	254.98	87.93	23.96
Total (A + B)	272.29	148.13	254.98	87.93	23.96

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV A & IV B.
- 3) There are no unsecured loans availed by the Company.
- 4) There are no loans taken from Directors / Promoters / Promoter Group Companies / Relatives of Promoters / Relatives of directors / Subsidiary companies.
- 5) The vehicle loan amounting to Rs. 10.00 million has been sanctioned by HDFC Bank which carries an interest rate of 10.01% p.a and is secured by hypothecation of vehicle. The said loan is repayable in 36 equal monthly installments commencing from September 5, 2014.
- 6) As of March 31, 2015, the Overdraft facilities are maintained with Indian Overseas Bank and HDFC Bank which carries an interest rate of 9.82% p.a and 9.30% p.a respectively. The said facilities are secured against bank deposits and are repayable on demand.

Matrimony.com Limited
Annexure VIII - Restated unconsolidated statement of other long- term liabilities and long-term provisions

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Other long term liabilities					
Deferred revenue	11.33	0.11	0.19	-	-
Dues to related parties	23.45	52.29	-	-	-
Security deposit	-	-	0.02	0.02	0.05
Total other long term liabilities	34.78	52.40	0.21	0.02	0.05
B. Long-term provisions					
Provision for gratuity	12.84	10.50	8.09	6.80	4.69
Total long-term provisions	12.84	10.50	8.09	6.80	4.69

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.
- 3) Amounts due to Directors / Promoters / Promoter Group Companies / Relatives of Promoters / Relatives of directors / Subsidiary companies:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Consim Info USA Inc., USA	23.45	52.29	-	-	-
	23.45	52.29	-	-	-

- 4) The list of persons / entities classified as "Promoter and Promoter Group Companies" has been determined by the Management and relied upon by the Auditors.

Matrimony.com Limited
Annexure IX - Restated unconsolidated statement of trade payables, other current liabilities and short term provisions

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Current liabilities					
A. Trade payables					
Total outstanding dues of trade payables other than micro and small enterprises (refer note 7 of Annexure IVA for details of due to micro and small enterprises)	167.75	149.18	141.28	187.29	105.22
Dues to employees	28.47	17.33	7.59	6.40	4.38
Dues to related parties (refer note 5 below)	12.20	43.11	33.53	42.60	41.85
Total trade payables (A)	208.42	209.62	182.40	236.29	151.45
B. Other current liabilities					
Current maturities of long term debt	3.19	-	-	-	-
Deferred revenue	378.40	334.71	284.74	256.09	187.03
Share application money refundable (refer note 3 below)	-	19.20	-	-	-
Advances from customers	4.85	2.92	5.10	5.86	2.61
Withholding and other taxes payable	21.76	15.39	19.42	12.49	9.44
Payables for capital purchases	2.87	7.80	7.56	7.44	0.64
Dues to related parties (refer note 5 below)	31.27	1.49	-	-	-
Total other current liabilities (B)	442.34	381.51	316.82	281.88	199.72
C. Short-term provisions					
Provision for gratuity	12.11	9.90	8.16	6.40	4.98
Provision for leave benefits	17.17	14.47	18.62	14.22	11.54
Provision for litigations (refer note 4 below)	17.62	1.33	25.05	28.61	24.92
Total short-term provisions (C)	46.90	25.70	51.83	49.23	41.44
Total current liabilities (A+B+C)	697.66	616.83	551.05	567.40	392.61

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.
- 3) During the year ended March 31, 2014, the Company received share application money from its promoter (Mr. Murugavel Janakiraman) and the same has been subsequently refunded during the year ended March 31, 2015.

Matrimony.com Limited**Annexure IX - Restated unconsolidated statement of trade payables, other current liabilities and short term provisions (continued)**

The movement of provision for litigation in respect of each of the years is given below:

Opening balance	1.33	25.05	28.61	24.92	23.21
Additions	16.29	0.75	3.21	3.69	1.71
Utilisation / payment	-	(24.47)	(6.77)	-	-
Closing balance	17.62	1.33	25.05	28.61	24.92

(a) **Service tax:** The Company has made a provision of Rs. 1.33 million for certain disputed liabilities relating to service tax.

(b) **EPF:** The Company received a demand order dated March 17, 2015 from Regional Commissioner of Provident Fund, on account of non- inclusion of various allowances for the calculation of PF contribution for the period April 2012 to May 2014. The company has obtained a stay order from the Honourable High Court of Madras. The Company has also appealed against the order with PF Appellate Tribunal. Since various high courts have rendered different judgments which are in conflict to each other and the matter is now pending with the Honourable Supreme Court, as a matter of prudence the Company has provided for the demand of Rs. 16.29 million.

5) Amounts due to Directors/ Promoters/ Promoter Group Companies/ Relatives of Promoters/ Relatives of directors/ Subsidiary companies/ Enterprises holding Significant Influence:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Bharat Matrimony LLC, Dubai	7.35	17.65	5.12	4.12	2.03
Consim Info USA Inc.	31.27	18.44	10.13	16.88	2.04
Community Matrimony Private Limited	4.85	3.76	5.23	12.20	7.79
Sys India Private Limited	-	4.75	12.75	9.22	8.92
MatrimonyGifts Wholesale India Private Limited	-	-	0.30	-	-
Infonauts Inc.	-	-	-	0.18	3.46
Tyroo Media Private Limited	-	-	-	-	1.45
Yahoo India Private Limited	-	-	-	-	16.16
	43.47	44.60	33.53	42.60	41.85

6) The list of persons / entities classified as "Promoter and Promoter Group Companies" has been determined by the Management and relied upon by the Auditors.

Matrimony.com Limited
Annexure X - Restated unconsolidated statement of non-current investments

(All amounts are in INR million unless otherwise stated)

Particulars	No. of shares					As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Trade Investments (valued at cost unless stated otherwise)										
<u>Investment in subsidiaries - Unquoted equity instruments</u>										
Community Matrimony Private Limited (equity shares of Re. 1/- each fully paid up)	99,999	99,999	99,999	99,999	99,999	0.10	0.10	0.10	0.10	0.10
Sys India Private Limited (equity shares of Re. 1/- each fully paid up)	99,900	99,900	99,900	99,900	99,900	0.10	0.10	0.10	0.10	0.10
Consim Info USA Inc., USA (equity shares of USD 1 each fully paid up)	1,000	1,000	1,000	1,000	1,000	0.05	0.05	0.05	0.05	0.05
Infonauts Inc., USA (equity shares of USD 1 each fully paid up)	-	-	-	1,000	1,000	-	-	-	0.14	0.14
Match International Inc., USA (equity shares of USD 1 each fully paid up)	-	-	-	-	-	-	-	-	-	-
Consim Direct Inc., Nevis (equity shares of USD 1 each fully paid up)	-	-	-	1	1	-	-	-	0.05	0.05
Consim Direct Holdings Cyprus Limited, Cyprus (equity shares of EURO 1 each fully paid up)	-	1	1	-	-	-	-	-	-	-
Matchify Services Private Ltd (equity shares of Rs. 10/- each fully paid up)	185,000	-	-	-	-	1.85	-	-	-	-
Tambulya Online Marketplace Private Ltd (equity shares of Rs. 10/- each fully paid up)	10,000	-	-	-	-	0.10	-	-	-	-
MatrimonyGifts Wholesale India Private Limited (equity shares of Re. 1/- each fully paid up)	-	28,944,999	11,749,999	99,999	-	-	28.94	11.75	0.10	-
Bharat Matrimony LLC., Dubai (equity shares of AED 1,000 each fully paid up)	147	147	147	147	147	0.20	0.20	0.20	0.20	0.20
Perspi Interactive Private Limited (equity shares of Re. 1/- each fully paid up), also refer note 3 below					367700					0.37

Particulars	No. of shares					As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Non Trade Investments (valued at cost unless stated otherwise)										
<u>Investment in subsidiary - Unquoted equity instruments</u>										
Perspi Interactive Private Limited (equity shares of Re. 1/- each fully paid up), also	-	-	-	300,000	-	-	-	-	0.30	-

Particulars	No. of shares					As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
refer note 3 below										
Less: Provision towards diminution in the value of investments	-	-	-	-	-	-	-	-	-	-
<u>Investment - Unquoted equity instruments</u>										
Perspi Interactive Private Limited (equity shares of Re. 1/- each fully paid up), also refer note 4 below	-	300,000	300,000	-	-	-	0.30	0.30	-	-
<u>Investment in subsidiary - Unquoted debt instruments</u>										
Perspi Interactive Private Limited (preference shares of Rs. 1000/- each fully paid up)	-	-	-	-	12,900	-	-	-	-	12.90
Total Non-Current investments	396,046	29,446,046	12,251,046	602,046	582,647	2.40	29.69	12.50	1.04	13.91

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.
- 3) Pursuant to a share purchase and share holders' agreement dated March 21, 2012 entered with certain buyers, the Company disposed off 67,700 equity shares out of 367,700 equity shares in Perspi Interactive Private Limited ("Perspi") to such buyers for a consideration of Rs. 1.07 million. On April 27, 2012, consequent to the additional investment made by the buyers in Perspi Interactive Private Limited, the stake of the Company has reduced from 81.59% in March 2012 to 24%. Accordingly, it ceased to be a wholly owned subsidiary and pursuant to the terms of the share purchase and share holders' agreement, the Company does not have significant influence over it. The investment in Perspi has been classified as trade investment upto the year ended March 31, 2011 and Non-trade investment for the subsequent years based on the intention of the Management as on the date of reporting in the respective years. The Company disposed off the remaining 300,000 equity shares in Perspi vide share purchase agreement dated September 1, 2014.
- 4) During the year ended March 31, 2013, the Company transferred its holdings in Infonauts USA Inc to the Promoter (Mr.Murugavel Janakiraman) of the Company for a consideration of Rs. 0.14 million and this does not result in a profit or loss.

Matrimony.com Limited**Annexure XI - Restated unconsolidated statement of long-term loans and advances and other non-current assets**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Long term loans and advances					
<u>Unsecured, considered good</u>					
Loans and advances to related parties (see note given below)	-	-	-	1.11	-
Security deposits	79.80	100.32	110.10	78.75	60.51
Other loans and advances:					
Advance tax (net of provision for taxation)	26.05	22.93	11.15	14.56	10.84
Prepaid expenses	0.12	0.05	0.22	0.27	-
Balances with statutory / Government authorities	7.35	7.35	7.35	-	-
Total Long-term loans and advances	113.32	130.65	128.82	94.69	71.35

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.
- 3) Amounts due from Directors/ Promoters/ Promoter Group Companies/ Relatives of Promoters/ Relatives of directors/ Subsidiary companies:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
MatrimonyGifts Wholesale India Private Limited	-	-	-	1.11	-
	-	-	-	1.11	-

- 4) The list of persons / entities classified as "Promoter and Promoter Group Companies" has been determined by the Management and relied upon by the Auditors.

Matrimony.com Limited
Annexure XII - Restated unconsolidated statement of trade receivables (net of provision for doubtful receivables)

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Outstanding for a period exceeding six months from the date they are due for payment					
- considered good	-	-	-	2.26	4.87
- considered doubtful	0.85	1.18	0.32	7.71	13.85
	0.85	1.18	0.32	9.97	18.72
Less: Provision for doubtful receivables	0.85	1.18	0.32	7.71	13.85
	-	-	-	2.26	4.87
Other trade receivables					
- considered good					
from related parties	1.64	3.53	4.31	5.60	3.07
from others	9.69	12.72	10.63	17.35	17.03
- considered doubtful	-	-	-	1.60	2.88
	11.33	16.25	14.94	24.55	22.98
Less: Provision for doubtful receivables	-	-	-	1.60	2.88
	11.33	16.25	14.94	22.95	20.10
Total	11.33	16.25	14.94	25.21	24.97

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.
- 3) Amounts due from directors / promoters / promoter group / relatives of promoters / relatives of directors / subsidiary companies:

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Bharat Matrimony LLC, Dubai	1.13	2.83	0.81	1.14	0.31
Consim Info USA Inc.	0.51	0.70	3.50	4.10	1.40
Infonauts Inc.	-	-	-	0.36	1.36
	1.64	3.53	4.31	5.60	3.07

- 4) The list of persons / entities classified as "Promoter and Promoter Group Companies" has been determined by the Management and relied upon by the Auditors.

Matrimony.com Limited**Annexure XIII - Restated unconsolidated statement of cash and bank balances**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Cash and cash equivalents					
Balances with banks on current accounts	67.12	8.66	5.80	19.48	12.16
Deposits with original maturity of less than three months (refer note 3 below)	30.00	-	-	-	-
Cheques on hand	3.61	3.55	4.66	4.10	2.83
Cash on hand	5.66	4.91	0.25	0.29	0.33
	106.39	17.12	10.71	23.87	15.32
Other bank balances					
Deposits with original maturity for more than 12 months (refer note 3 below)	10.00	-	30.00	-	-
Deposits with original maturity of more than 3 months but less than 12 months (refer note 3 below)	408.51	350.62	267.08	300.56	200.63
Total cash and bank balances	524.90	367.74	307.79	324.43	215.95

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IVA and IVB.
- 3) These deposits are held as security against short-term borrowings.

Matrimony.com Limited**Annexure XIV - Restated unconsolidated statement of short-term loans and advances and other current assets**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Short term loans and advances					
Unsecured, considered good					
Loans and advances to related parties (see note given below)	7.28	2.14	211.44	-	-
Security deposit	37.77	16.72	13.13	12.47	6.45
Prepaid expense	7.87	4.56	3.68	4.23	1.58
Loans to employees	4.74	1.84	1.29	2.21	0.33
Balances with statutory/ Government authorities	6.33	5.18	5.77	11.56	11.24
Advances for supply and services	14.19	10.26	8.04	5.52	4.16
Total short-term loans and advances	78.18	40.70	243.35	35.99	23.76
B. Other current assets					
Interest accrued on fixed deposit	17.99	3.70	3.47	5.13	0.16
Share issue expenses (to the extent not written off or adjusted) Refer note 3 below	16.28	-	-	-	-
Unbilled revenues	-	0.04	-	4.21	-
Other receivable from related parties (to the extent not written off or adjusted) refer note 4 below	0.46	-	-	-	-
Total other current assets	34.73	3.74	3.47	9.34	0.16

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.
- 3) During the year ended March 31, 2015, the Company incurred share issue expense of Rs. 16.28 million comprises of expenses that were incurred in connection with the Initial Public Offering (IPO) of shares by the Company for which the Company was in process of filing Draft Red Herring Prospectus ("DRHP"), the said share issue expense shall be adjusted with securities premium account as prescribed under section 52 of the Companies Act 2013. The issue expenses will be shared between the Company and the Selling Shareholders on a pro-rata basis in proportion of the Equity Shares issued and allotted by our Company in the fresh issue and the Equity Shares sold by the Selling Shareholders in the Offer for Sale.

Matrimony.com Limited**Annexure XIV - Restated unconsolidated statement of short-term loans and advances and other current assets****4) Amounts due from Directors/ Promoters/ Promoter Group Companies/ Relatives of Promoters/ Relatives of directors:**

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Sys India Private Limited	6.26	-	-	-	-
MatrimonyGifts Wholesale India Private Limited	-	1.69	-	-	-
India Property Online Private Limited	0.46	0.45	211.25	-	-
Consim Info USA Inc.	1.02	-	-	-	-
Infonauts Inc.	-	-	0.19	-	-
	7.74	2.14	211.44	-	-

5) The list of persons / entities classified as "Promoter and Promoter Group Companies" has been determined by the Management and relied upon by the Auditors.

**Matrimony.com
Limited**

Annexure XV - Restated unconsolidated statement of other income

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended					Nature	
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	Recurring / non-recurring	Related/Not related to business activity
Liabilities no longer required written back	1.05	5.90	0.56	2.34	7.14	Recurring	Related
Seat sharing income	7.99	11.27	0.18	0.13	2.93	Recurring	Not related
Agency commission income	1.98	1.98	1.98	1.98	1.14	Recurring	Related
Premium on redemption of preference shares	-	0.84	-	-	-	Non-recurring	Not related
Miscellaneous income	1.90	0.90	0.57	0.85	0.22	Recurring	Not related
Total Other Income	12.92	20.89	3.29	5.30	11.43		

Note:

- 1) The classification of other income as recurring/ not-recurring, related/ not-related to business activity is based on the current operations and business activity of the Company as determined by the Management.
- 2) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
- 3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA and IVB.

Matrimony.com Limited
Annexure XVI - Restated unconsolidated statement of operating expenses

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Employee benefit expenses					
Salaries, wages and bonus	925.69	762.77	643.75	458.66	295.18
Contribution to provident and other fund	60.61	45.18	41.90	30.43	18.73
Gratuity expense	7.54	6.57	5.75	3.54	3.18
Staff welfare expenses	28.59	24.41	16.89	14.80	9.74
Recruitment and training	9.21	6.09	9.87	8.85	8.39
Total employee benefit expenses	1,031.64	845.02	718.16	516.28	335.22
B. Advertisement and business promotion expenses					
Advertisement	525.18	500.71	505.21	488.98	386.65
Business promotion expenses	29.39	12.29	11.17	8.34	6.91
Others	-	-	-	0.19	1.68
Total advertisement and business promotion expenses	554.57	513.00	516.38	497.51	395.24
C. Other expenses					
Web hosting charges	99.91	93.59	74.58	52.07	42.21
Electricity	47.39	43.39	41.09	28.02	16.89
Rent and amenities	176.02	173.42	161.38	108.14	71.45
Rates and taxes	4.77	9.22	10.83	12.63	7.59
Insurance	5.91	5.74	3.96	2.24	1.80
Repairs and maintenance - others	42.64	39.56	23.72	16.09	9.62
Travelling and conveyance	41.16	34.59	30.89	24.38	24.96
Communication costs	73.68	69.24	65.34	51.10	35.55
Printing and stationery	3.13	2.27	3.98	2.67	2.70
Legal and professional fees	31.26	36.01	30.44	27.22	20.31
Directors' sitting fees	1.20	-	-	-	-
Exchange differences (net)	8.21	8.97	4.20	2.42	(0.10)
Provision for doubtful debts and advances	0.26	1.05	0.38	0.39	2.42
Provision for EPF litigation (Refer annexure IX)	16.29	-	-	-	-
Loss on sale / write off of fixed assets (net)	1.23	8.09	5.20	6.58	-
Collection charges	37.18	36.84	25.53	23.22	1.50
Photography service charges	0.95	-	-	-	-
Miscellaneous expenses	4.16	3.54	6.10	3.90	4.49
Total other expenses	595.35	565.52	487.62	361.07	241.39

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) Employee benefit expenses paid to Directors/ Promoters/ Relatives of Promoters/ Relatives of directors:

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Mr. Murugavel Janakiraman	8.40	8.64	9.00	7.00	3.00
Mr. Ravi Janakiraman	0.87	0.82	0.75	0.70	0.60
	9.27	9.46	9.75	7.70	3.60

- 4) The list of persons / entities classified as "Promoter and Promoter Group Companies" has been determined by the Management and relied upon by the Auditors.

Matrimony.com Limited**Annexure XVII - Restated unconsolidated statement of exceptional items**

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Loss / (profit) from the disposal of non-current investments, net (also refer note 3 and 4 below)	61.60	-	-	(1.00)	-
Legal costs incurred on litigation (refer note 5 below)	146.24	188.97	31.65	-	-
Total exceptional items	207.84	188.97	31.65	(1.00)	-

Note:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.

3) The Company entered into a share purchase and share holders' agreement dated March 21, 2012 to sell 67,700 shares held in Perspi Interactive Private Limited ("Perspi") for a consideration of Rs. 1.07 million and the profit on such disposal is Rs. 1.00 million. Further during the year ended March 31, 2015, the Company disposed off their balance investment held in Perspi for a consideration of Rs. 4.30 million and the profit on such disposal is Rs. 4.00 million. Since these items are non-routine in nature, the same has been classified under exceptional items.

4) In December 2014, the Company entered into a sale agreement with certain buyers to sell the entire investment held in MatrimonyGifts Wholesale India Private Limited for a consideration of Rs. 0.20 million. As per the sale agreement, the applications before the Registrar of Trade Marks for registration of label / word mark "Tambulya" shall rest with Matrimony.com Limited. The Board of directors has approved the decision vide resolution dated December 30, 2014. The loss recognised on the said transaction of Rs. 65.60 million has been classified as an "exceptional item" in the statement of profit and loss being non-routine and significant.

5) Legal costs incurred for defending the Company, Promoter and Certain shareholders in a case pending with Superior Court of New Jersey, in each of the years ended March 31, 2015, March 31, 2014 and March 31, 2013. In view of the amount involved being significant, the same has been disclosed as exceptional item in the financial statements. For more details refer note 10(B) in Annexure IV A.

Matrimony.com Limited**Annexure XVIII - Capitalisation statement**

(All amounts are in INR million unless otherwise stated)

Particulars	Pre IPO as at March 31, 2015	As adjusted for IPO (refer note 3 below)
Debt		
Short-term borrowings (A)	267.27	
Long-term borrowings (B)	8.21	
Total borrowings (A+B)	275.48	
Shareholder's funds		
Share capital	91.93	
Reserves and surplus	(106.03)	
Total shareholders' funds (C)	(14.11)	
Long-term borrowings / Total shareholder's funds (B/C)	(0.58)	

Note:

- 1) The above has been computed on the basis of the restated unconsolidated summary statements of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 2) The corresponding post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence the same have not been provided in the above statement.
- 3) Long term borrowings represents debt which is due after 12 months from March 31, 2015 and current maturities of long term borrowings.
- 4) For changes in share capital structure post March 31, 2015, refer note 7 of Annexure XIX.

Matrimony.com Limited
Annexure XIX - Restated unconsolidated statement of accounting ratios

(All amounts are in INR million except share and per share data)

Particulars		Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Restated Profit / (Loss) after tax from continuing operations	A	(44.65)	(82.38)	94.59	71.92	13.86
Restated Profit / (Loss) after tax from total operations	B	(44.65)	(82.38)	94.59	(36.88)	(7.86)
Less: Preference dividend including tax thereon	C	-	-	-	-	-
Net profit / (Loss) available to equity shareholders from continuing operations	D=A-C	(44.65)	(82.38)	94.59	71.92	13.86
Net profit / (Loss) available to equity shareholders from total operations	E=B-C	(44.65)	(82.38)	94.59	(36.88)	(7.86)
Weighted average number of equity shares considered for calculating basic EPS	F	2,42,65,642	2,38,30,630	2,38,30,630	2,38,16,192	2,38,01,352
Weighted average number of equity shares considered for calculating diluted EPS	G	3,59,99,617	3,51,20,314	3,51,20,314	3,03,19,199	3,03,21,171
Restated net worth	H	(14.10)	(11.43)	70.95	(19.41)	17.47
Accounting ratios prior to consolidation of shares (refer note 7 below):						
Basic earnings per share (Rs.)						
- from continuing operations	D/F	(1.84)	(3.46)	3.97	3.02	0.58
- from total operations	E/F	(1.84)	(3.46)	3.97	(1.55)	(0.33)
Diluted earnings per share (Rs.)						
- from continuing operations	D/G	(1.84)	(3.46)	2.69	2.37	0.46
- from total operations	E/G	(1.84)	(3.46)	2.69	(1.55)	(0.33)
Particulars		Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Return on net worth (%)	D/H	(316.49)%	(721.00)%	133.30%	(190.06)%	(45.01)%
Net asset value per share (Rs.)	H/G	(0.40)	(0.33)	2.03	(0.64)	0.58
Accounting ratios post to consolidation of shares (refer note 7 below):						
Basic earnings per share (Rs.)						
- from continuing operations		(3.07)	(5.76)	6.62	5.03	0.97
- from total operations		(3.07)	(5.76)	6.62	(2.58)	(0.55)
Diluted earnings per share (Rs.)						
- from continuing operations		(3.07)	(5.76)	4.49	3.95	0.76
- from total operations		(3.07)	(5.76)	4.49	(2.58)	(0.55)
Return on net worth (%)		(316.49)%	(721.00)%	133.30%	(190.06)%	(45.01)%
Net asset value per share (Rs.)		(0.67)	(0.54)	3.38	(1.07)	0.96

Notes:

1) The above ratios have been computed on the basis of the restated unconsolidated summary statements of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows.

3) The Ratios have been computed as below:

a) Basic Earnings per share (Rs.)	$\frac{\text{Net profit after taxes (as restated) from continuing operations/ Net profit after taxes (as restated) from total operations attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$
b) Diluted Earnings per share (Rs.)	$\frac{\text{Net profit after taxes (as restated) from continuing operations/ Net profit after taxes (as restated) from total operations}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$
c) Return on net worth (%)	$\frac{\text{Net profit after tax (as restated)}}{\text{Net worth at the end of the year including preference share capital}}$
d) Net asset value per share (Rs.)	$\frac{\text{Net worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of the year + Potential equity shares from convertible preference shares}}$

4) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

5) Net worth for ratios mentioned in note 3(c) and 3(d) = Equity share capital + Reserves and surplus (including Securities Premium and surplus in statement of profit and loss) + Preference share capital. These ratios have been computed after considering the retrospective adjustment of the bonus shares and consolidation of share capital.

6) Earnings per share calculations are in accordance with Accounting Standard 20 on Earnings Per Share notified under section 133 of the Companies Act 2013, read together along with paragraph 7 of the Companies (Accounts) Rules, 2014. As per Accounting Standard 20, in case of bonus shares or consolidation of shares, the number of shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event has occurred at the beginning of the earliest period reported. Weighted average number of equity share outstanding during all the previous years have been considered accordingly.

7) Subsequent to March 31, 2015, the Board of Directors of the Company have, in their meeting held on August 5, 2015 approved the consolidation of the shares as follows - every 5 (Five) existing equity shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) equity shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up and every 5 (Five) existing preference shares of nominal face value of Rs. 3/- (Rupee Three Only) each fully paid up into 3 (Three) preference shares of nominal face value of Rs. 5/- (Rupees Five Only) each fully paid-up. Accordingly, the accounting ratios prior and post such consolidation of shares has been disclosed.

Annexure XX - Restated unconsolidated tax shelter statement

(All amounts are in INR million unless otherwise stated)

S.No.	Particulars	Year ended				
		31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A	Restated profit before tax	(44.65)	(82.38)	94.59	(36.88)	(7.86)
B	Tax rate	33.06%	32.45%	32.45%	32.45%	33.22%
B	Tax rate (Long term capital gain / loss)	21.63%	21.63%	21.63%	21.63%	22.15%
C	Tax thereon at the above rate (AxB)	(14.76)	(26.74)	30.70	(11.96)	(2.61)
D	Permanent differences					
	Donation	0.56	0.22	0.20	0.23	0.12
	(Profit)/ loss on redemption of investment	24.94	-	-	(1.00)	-
	Long term capital gains/ (loss)	3.87	-	(0.09)	0.98	-
	Short term capital gains/ (loss)	(28.65)	-	-	-	-
	Investment written off	-	-	0.05		0.06
	Expenses disallowed under Income Tax Act	-	-	-	0.73	-
	Total (D)	0.72	0.22	0.16	0.94	0.18
E	Timing differences					
	Differences in book value of assets and block of assets under Income Tax Act, 1961	0.57	(2.00)	2.21	(8.49)	0.69
	Expenses allowed on payment basis	25.17	(19.91)	7.38	11.01	8.31
	Provision for doubtful debts and advances	(0.34)	0.86	(8.98)	(7.42)	8.34
	Provision for deposits	0.73	0.06	0.10	0.14	(1.31)
	Loss on sale of assets (depreciable assets)	1.23	8.09	5.20	6.64	-
	Total (E)	27.36	(12.90)	5.91	1.88	16.03
F	Net Adjustments (D + E) before set off of losses	28.08	(12.68)	6.07	2.82	16.21
	Taxable income before set off of losses	(16.57)	(95.06)	100.66	(34.06)	8.35
G	Business losses set off as carried forward losses	(3.87)	-	(100.75)	(0.98)	(8.35)
H	Net Adjustments after set off of losses (F+G)	24.21	(12.68)	(106.82)	1.84	24.56
I	Tax savings) thereon	7.56	(4.11)	(34.67)	0.49	8.16
	Tax at normal rates	6.72	(4.11)	(34.69)	0.28	8.16
	Tax at special rate	0.84	-	(0.02)	0.21	-
	Total tax on current profits					
	Current tax on continuing operations	-	-	-	-	-
	Current tax on discontinuing operations	-	-	-	-	-
	Total	-	-	-	-	-

Matrimony.com Limited
Annexure XXI - Restated unconsolidated statement of related party transactions
(i) List of related parties and transactions as per the requirements of Accounting Standard - 18, "Related Party Disclosures" issued by Institute of Chartered Accountants of India

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Subsidiaries	Community Matrimony Private Limited	Community Matrimony Private Limited	Community Matrimony Private Limited	Community Matrimony Private Limited	Community Matrimony Private Limited
	Sys India Private Limited	Sys India Private Limited	Sys India Private Limited	Sys India Private Limited	Sys India Private Limited (from May 18, 2010)
	Consim Info USA Inc., USA	Consim Info USA Inc., USA	Consim Info USA Inc., USA	Consim Info USA Inc., USA	Consim Info USA Inc., USA (from May 19, 2010)
	Bharat Matrimony LLC., Dubai	Bharat Matrimony LLC., Dubai	Bharat Matrimony LLC., Dubai	Bharat Matrimony LLC., Dubai	Bharat Matrimony LLC., Dubai
	MatrimonyGifts Wholesale India Private Limited (till December 29, 2014)	MatrimonyGifts Wholesale India Private Limited	MatrimonyGifts Wholesale India Private Limited	MatrimonyGifts Wholesale India Private Limited (from September 12, 2011)	-
	-	-	Perspi Interactive Private Limited (till April 27, 2012)	Perspi Interactive Private Limited	Perspi Interactive Private Limited
	-	-	Infonauts Inc., USA (till March 31, 2013)	Infonauts Inc., USA	Infonauts Inc., USA
	Consim Direct Holdings Cyprus Limited, Cyprus (till December 29, 2014)	Consim Direct Holdings Cyprus Limited, Cyprus	Consim Direct Holdings Cyprus Limited, Cyprus (from October 10, 2012)	-	-
	Matchify Services Private Limited (from November 12, 2014)	-	-	-	-
	Tambulya Market Place Private Limited	-	-	-	-

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
	(from January 22, 2015)				
	-	-	Consim Direct Inc., Nevis (till December 6, 2012)	Consim Direct Inc., Nevis	Consim Direct Inc., Nevis (from December 7, 2010)
Enterprises owned or significantly influenced by key management personnel or their relatives	India Property Online Private Limited	India Property Online Private Limited	India Property Online Private Limited	-	-
	Infonauts Inc., USA	Infonauts Inc., USA	Infonauts Inc., USA	-	-
Investor having significant influence	Canaan VII Mauritius	Canaan VII Mauritius	Canaan VII Mauritius	Canaan VII Mauritius	Canaan VII Mauritius
	Mayfield XII Mauritius	Mayfield XII Mauritius	Mayfield XII Mauritius	Mayfield XII Mauritius	Mayfield XII Mauritius
Enterprises in which Directors are interested	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited	Mayfield Advisors Private Limited
	Canaan Advisors Private Limited	Canaan Advisors Private Limited	Canaan Advisors Private Limited	Canaan Advisors Private Limited	Canaan Advisors Private Limited
	-	-	-	Tyroo Media Private Limited (up to September 28, 2011)	Tyroo Media Private Limited (up to September 28, 2011)
	-	-	-	Yahoo India Private Limited (up to September 28, 2011)	Yahoo India Private Limited (up to September 28, 2011)
Key Management Personnel (KMP)	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman	Mr.Murugavel Janakiraman
Relatives of KMP	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman	Mr. Ravi. Janakiraman
	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman	Mrs. Indirani Janakiraman

Note: On March 24, 2015, Canaan VII Mauritius, one of the investors of the company, has transferred its entire holding in equity and preference capital (719,174 equity shares and 4,348,510 compulsorily convertible preference shares) to CMDDB II. Board of directors of the company has approved the said transfer on April 16, 2015.

(ii) Details of transactions with related parties

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Transactions during the year:					
<u>Key Management personnel</u>					
- Mr.Murugavel Janakiraman					
Remuneration	8.40	8.64	9.00	7.00	3.00
Share application money received	-	19.20	-	-	-
Share application money refunded	19.20	-	-	-	-
Interest paid on share application money	0.16	-	-	-	-
Preferential allotment of equity shares (including premium)	12.23	-	-	-	-
Bonus issue of equity shares	25.68	-	-	32.88	-
Sale of Investment in Infonauts Inc., USA			0.14		
<u>Relatives of Key Management Personnel</u>					
Remuneration					
- Mr. Ravi Janakiraman	0.87	0.82	0.75	0.70	0.60
Bonus issue of equity shares					
- Mrs. Indirani Janakiraman	0.18	-	-	0.23	-
<u>Investor having significant influence</u>					
Preferential allotment of equity shares (including premium)					
- Canaan VII Mauritius	5.23	-	-	-	-
- Mayfield XII Mauritius	5.09	-	-	-	-
Bonus issue of equity shares					
- Canaan VII Mauritius	0.84	-	-	1.06	-
- Mayfield XII Mauritius	1.67	-	-	2.12	-

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Bonus issue of preference shares					
- Canaan VII Mauritius	-	-	-	13.00	-
- Mayfield XII Mauritius				4.93	
Allotment of Series C preference shares including securities premium					
- Canaan VII Mauritius	-	-	-	-	67.10
- Mayfield XII Mauritius	-	-	-	-	67.10
Enterprises owned or significantly influenced by key management personnel or their relatives and enterprises in which Directors are interested					
Advertisement					
- Tyroo Media Private Limited	-	-	-	8.11	2.16
- Yahoo India Private Limited	-	-	-	39.60	60.06
Expenses made by Company on behalf of related parties					
- India Property Online Private Limited	-	1.13	133.84	-	-
- Mayfield Advisors Private Limited (travelling charges)	-	-	-	0.07	0.09
- Canaan Advisors Private Limited (travelling charges)	-	-	-	0.04	0.14
Investment in Preference shares					
- India Property Online Private Limited	-	50.00	-	-	-
Investment in equity shares					
- India Property Online Private Limited	-	-	0.10	-	-
Cancellation of investment in equity shares					
- India Property Online Private Limited	-	-	0.10	-	-
Redemption of redeemable preference shares					
- India Property Online Private Limited (including premium)	-	50.84	-	-	-
Loan given during the year					
- India Property Online Private Limited	-	-	93.50	-	-
Repayment of loan from related parties					
- India Property Online Private Limited	-	93.50	-	-	-
Transfer of assets					
- India Property Online Private Limited	-	-	24.29	-	-
Transfer of liabilities					
- India Property Online Private Limited	-	-	20.06	-	-
Seat sharing revenue					
- India Property Online Private Limited	7.99	10.82	-	-	-
Interest income during the year					
- India Property Online Private Limited	-	2.16	9.37	-	-

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Reversal of interest receivable on loan					
- India Property Online Private Limited	0.10	-	-	-	-
Subsidiaries					
Advertisement					
- Consim Info USA Inc., USA	6.02	7.89	7.76	10.70	7.58
- Bharat Matrimony LLC., Dubai	22.13	22.35	24.56	13.85	12.07
- Infonauts Inc., USA	-	-	-	0.30	4.93
- Sys India Private Limited	1.61	1.57	1.85	1.86	1.07
- Community Matrimony Private Limited	0.44	0.36	0.37	0.37	0.54
Expenses made by related parties on behalf of company					
- Consim Info USA Inc., USA	144.45	211.09	97.12	58.30	19.38
- Bharat Matrimony LLC., Dubai	17.60	25.52	15.22	10.31	3.99
- Infonauts Inc., USA	-	-	-	0.15	7.66
- Sys India Private Limited	96.72	31.67	34.23	38.55	14.14
- Community Matrimony Private Limited	24.34	25.92	36.96	39.78	26.81
Expenses made by company on behalf of related parties					
- Matrimony Gifts Wholesale India Private Limited	1.97	1.69	-	-	-
- Perspi Interactive Private Limited	-	-	-	-	1.73
Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Agency commission income					
- Sys India Private Limited	1.68	1.68	1.68	1.68	0.84
- Community Matrimony Private Limited	0.30	0.30	0.30	0.30	0.30
Investment during the year					
- Matrimony Gifts Wholesale India Private Limited	-	17.20	11.65	0.10	-
- Consim Direct Holdings Cyprus Limited, Cyprus	-	-	-	-	-
- India Property Online Private Limited	-	-	-	-	-
- Sys India Private Limited	-	-	-	-	0.10
- Consim Info USA Inc., USA	-	-	-	-	0.05
- Consim Direct Inc., Nevis	-	-	-	-	0.05
- Community Matrimony Private Limited	-	-	-	-	-
- Matchify Services Private Limited	1.85	-	-	-	-
- Tambulya Online Market Place Private Limited	0.10				
Advance towards investment in subsidiary					
- Matrimony Gifts Wholesale India Private Limited	-	-	-	1.11	-
Interest income on inter - company advances					

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
- Matrimony Gifts Wholesale India Private Limited	1.14	-	-	-	-
Seat sharing revenue					
- Matrimony Gifts Wholesale India Private Limited	-	0.46	0.18	0.13	-
- Perspi Interactive Private Limited	-	-	-	-	1.20
Sale of assets during the year					
- Matrimony Gifts Wholesale India Private Limited	-	0.04	0.05	-	-
- Perspi Interactive Private Limited	-	-	-	-	-
Purchase of Gifts					
- Matrimony Gifts Wholesale India Private Limited	1.42	0.20	0.53	-	-
Purchase of Fixed Assets					
- Matrimony Gifts Wholesale India Private Limited	1.53	-	-	-	-
Transfer of assets					
- Perspi Interactive Private Limited	-	-	-	0.24	-
Repayment of debentures					
- Perspi Interactive Private Limited	-	-	-	12.90	-
Interest income on debentures					
- Perspi Interactive Private Limited	-	-	-	0.52	0.42
Web Hosting Charges					
- Perspi Interactive Private Limited	-	-	-	-	1.73
Online Advertisement sales					
- Perspi Interactive Private Limited	-	-	-	-	2.72
Rental income					
- Perspi Interactive Private Limited	-	-	-	-	1.20
Investment in 4% non-convertible debentures					
- Perspi Interactive Private Limited	-	-	-	-	5.70
(iii) Balance outstanding at year end:					
Enterprises owned or significantly influenced by Key Management Personnel or their relatives					

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Loans and advances					
- India Property Online Private Limited	-	0.45	211.25	-	-
Other receivables					
- India Property Online Private Limited	0.46	-	-	-	-
Trade payables					
- Tyroo Media Private Limited	-	-	-	-	1.45
- Yahoo India Private Limited	-	-	-	-	16.16
<u>Subsidiaries</u>					
Long term loans and advances					
- Matrimony Gifts Wholesale India Private Limited	-	-	-	1.11	-
Short term Loans and advances					
- Matrimony Gifts Wholesale India Private Limited	-	1.69	-	-	-
- Sys India Private Limited	6.26	-	-	-	-
- Infonauts Inc., USA	-	-	0.19	-	-
Consim Info USA Inc., USA	1.02				
Other long-term liabilities					
- Consim Info USA Inc., USA	23.45	52.29	-	-	-
Trade payables					
- Sys India Private Limited	-	4.75	12.75	9.22	8.92
- Consim Info USA Inc., USA	31.27	18.44	10.13	16.88	2.04
- Bharat Matrimony LLC., Dubai	7.35	17.65	5.12	4.12	2.03
- Community Matrimony Private Limited	4.85	3.76	5.23	12.20	7.79
- Infonauts Inc., USA	-	-	-	0.18	3.46
- Matrimony Gifts Wholesale India Private Limited	-	-	0.30	-	-
Trade receivables					
- Consim Info USA Inc., USA	0.51	0.70	3.50	4.10	1.40
- Bharat Matrimony LLC., Dubai	1.13	2.83	0.81	1.14	0.31
- Infonauts Inc., USA	-	-	-	0.36	1.36

Matrimony.com Limited**Annexure XXII - Restated unconsolidated statement of segment information****a) Primary Segment Information based on business:**

The Company's business segments have been divided into two - Matchmaking services and Marriage services and related sale of products.

Primary segment information (by Business segments):

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
A. Segment Revenue					
External sales					
- Matchmaking Services	2,319.91	1,988.55	1,873.22	1,459.51	1,009.02
- Marriage services and related sale of products	73.50	50.74	9.93	-	-
Total Revenue	2,393.41	2,039.29	1,883.15	1,459.51	1,009.02
Segment Expenses					
Employee benefits expense					
- Matchmaking Services	893.93	724.48	659.24	494.33	320.02
- Marriage services and related sale of products	91.82	77.91	31.55	-	-
Advertisement and business promotion expense					
- Matchmaking Services	523.16	489.99	510.74	497.51	395.24
- Marriage services and related sale of products	31.41	23.01	5.64	-	-
Other expenses					
- Matchmaking Services	512.18	509.49	442.77	331.10	213.15
- Marriage services and related sale of products	26.96	21.68	11.00	-	-
Depreciation and amortisation expense					
- Matchmaking Services	56.10	37.14	56.99	29.41	19.50
- Marriage services and related sale of products	2.24	0.94	0.61	-	-

Matrimony.com Limited
Annexure XXII - Restated unconsolidated statement of segment information (continued)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
B. Segment Results					
- Matchmaking Services	334.55	227.44	203.48	107.16	61.10
- Marriage services and related sale of products	(78.94)	(72.80)	(38.85)	-	-
Total	255.61	154.64	164.63	107.16	61.10
Unallocable expenses (net of unallocable revenue)	110.31	71.95	64.36	55.36	33.24
Finance cost	15.39	7.89	13.68	2.67	17.55
Finance income	(33.28)	(31.78)	(39.66)	(21.79)	(3.53)
Profit before exceptional items and tax from continuing operations	163.19	106.59	126.24	70.92	13.86
Exceptional items	207.84	188.97	31.65	(1.00)	-
Profit / (loss) before tax from continuing operations	(44.65)	(82.38)	94.59	71.92	13.86
Income taxes	-	-	-	-	-
Profit / (loss) after tax from continuing operations	(44.65)	(82.38)	94.59	71.92	13.86
Loss after tax from discontinuing operations	-	-	-	(108.80)	(21.72)
Profit / (loss) for the year	(44.65)	(82.38)	94.60	(36.88)	(7.86)
C. Segment Assets					
- Matchmaking Services	317.97	307.89	272.23	233.2	164.91
- Marriage services and related sale of products	14.51	10.39	8.67	-	-
Unallocable assets	642.54	445.54	580.75	393.93	249.12
Other assets held for investing activities	2.39	29.69	12.49	1.04	13.91
Income taxes	26.06	22.92	11.14	14.57	10.84
Total Assets	1003.47	816.43	885.28	642.74	438.78
D. Segment Liabilities					
- Matchmaking Services	530.55	435.42	444.48	559.57	393.93
- Marriage services and related sale of products	46.20	37.10	20.36	-	-
- Unallocable	440.82	355.34	349.49	102.58	27.38
Total Liabilities	1,017.57	827.86	814.33	662.15	421.31
E. Capital Expenditure					
- Matchmaking Services	97.76	34.22	74.07	104.82	53.90
- Marriage services and related sale of products	9.57	1.87	2.19	-	-
- Unallocable	26.68	40.30	18.97	2.51	7.66
Total Capital Expenditure	134.01	76.39	95.23	107.33	61.56

Matrimony.com Limited
Annexure XXII - Restated unconsolidated statement of segment information (continued)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
F. Depreciation / Amortisation					
- Matchmaking Services	56.10	37.14	56.99	29.52	20.35
- Marriage services and related sale of products	2.24	0.94	0.61	-	-
- Unallocable	21.13	15.86	6.42	8.63	0.37
Total Depreciation / Amortisation	79.47	53.94	64.02	38.15	20.72
G. Non-cash items other than Depreciation / Amortisation					
- Matchmaking Services	15.86	(0.28)	5.27	17.89	0.66
- Marriage services and related sale of products	-	0.04	-	-	-
- Unallocable	61.61	-	-	(1.00)	-
Total Non-cash items other than Depreciation / Amortisation	77.47	(0.24)	5.27	16.89	0.66
H. Capital employed					
- Unallocable	(14.11)	(11.43)	70.97	(19.40)	17.47
Total capital employed	(14.11)	(11.43)	70.97	(19.40)	17.47

Secondary segment information (by Geographical segments):

(All amounts are in INR million unless otherwise stated)

Particulars	Year ended				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Segment Revenue					
- Within India	2,025.30	1,684.47	1,518.48	1,163.45	785.11
- Outside India	368.11	354.82	364.67	296.06	223.91
Capital Expenditure					
- Within India	134.01	76.39	95.23	107.33	61.56
- Outside India	-	-	-	-	-
Segment Assets					
- Within India	332.48	318.28	280.90	233.20	164.91
- Outside India	-	-	-	-	-

Note:

- 1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- 2) The above statement should be read with the notes to restated unconsolidated summary statements of assets, liabilities, profit and loss and cash flows as appearing in Annexure IV-A & IV-B.
- 3) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. Those which are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Matrimony.com Limited**Annexure XXIII - Restated unconsolidated statement of dividend**

(All amounts are in INR million unless otherwise stated)

Particulars	As at				
	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Equity shares:					
Number of equity shares (numbers)	24,630,426	13,463,632	13,463,632	13,463,632	430,000
Face value per share (Rs.)	3	3	3	3	1
Rate of dividend (%)	-	-	-	-	-
Dividend amount (in million)	-	-	-	-	-
Tax on dividend (in million)	-	-	-	-	-
Preference shares:					
Number of preference shares (numbers)	6,012,874	6,330,818	6,330,818	6,330,818	331,325
Face value per share (Rs.)	3	3	3	3	1
Rate of dividend (%)	-	-	-	-	-
Dividend amount (in million)	-	-	-	-	-
Tax on dividend (in million)	-	-	-	-	-

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF OUR COMPANY

You should read the following discussion and analysis of our financial condition and results of operations together with the sections entitled "Summary Financial Information" and "Financial Statements" on pages 59 and 209, respectively. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including but not limited to those described in the section entitled "Risk Factors" on page 15. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the section entitled "Forward-Looking Statements" on page 14.

Unless the context requires otherwise, the financial information used in this section is derived from our Restated Consolidated Summary Statements as of and for the fiscal years ended March 31, 2011, 2012, 2013, 2014 and 2015 and annexures thereto included elsewhere in this Draft Red Herring Prospectus, which have been prepared in accordance with the Companies Act, 2013 and Indian GAAP and restated in accordance with the SEBI Regulations. Data included in this section in relation to key business metrics has been reviewed and verified by R.G.N. Price & Co., a firm of Chartered Accountants, and is included in their report dated August 11, 2015 (the "**Key Business Metrics Report**"). The information in this section is also derived from other sources including the Internet World Stats statistics available at <http://www.internetworldstats.com>; traffic share distribution from July 2013 to May 2015 for Matrimony.com, Jeevansathi and Shaadi compiled by comScore Technologies India Private Limited (the "**comScore Report**"); and the industry reports dated November 21, 2014 entitled "Market Size Estimation of Online Matrimony Market" (the "**Online Matchmaking Report**") and "Market Assessment of Marriage Services Market" (the "**Marriage Services Report**" and together with the Online Matchmaking Report, the "**KPMG Reports**") prepared by KPMG, an independent management consultant, pursuant to an engagement with the Company. The KPMG Reports contain disclaimers and scope limitations pertaining to the work performed by it, a summary of which is set out below. The KPMG Reports should be referred to for the full text of the disclaimers and scope limitations.

The information contained in the KPMG Reports is of a general nature and is not intended to address the circumstances of any particular individual or entity. No one should act on the information contained in the KPMG Reports or any part thereof, without appropriate professional advice and due consideration. The KPMG Reports are dated as of November 21, 2014, reflect the position only as of that date and were prepared pursuant to an engagement letter between the Company and KPMG dated October 22, 2014 for purposes other than inclusion in this Draft Red Herring Prospectus, and KPMG does not undertake to update the information already contained in the KPMG Reports. KPMG has subsequently consented to inclusion of extracts of the KPMG Reports prepared by it in this Draft Red Herring Prospectus through its letter dated August 11, 2015 on the terms set out in the Addendum dated August 11, 2015 to the engagement letter. The KPMG Reports do not attest the capabilities of our Company nor do they make a recommendation to anyone for investment in the Company. KPMG has not performed an audit and does not express an opinion, or any other form of assurance. Further, comments in the KPMG Reports are not intended, nor should they be interpreted to be legal advice or opinion. While information obtained from the public domain or external sources ("**Information**") has not been verified for authenticity, accuracy or completeness, KPMG has obtained Information, as far as possible, from sources generally considered to be reliable, inter alia, from the Census, the Telecom Regulatory Authority of India ("**TRAI**") and the Internet and Mobile Association of India ("**IAMAI**"). KPMG does not guarantee the accuracy, adequacy or completeness of Information and is not responsible for any errors or omissions in the Information or for the results obtained from the use of such Information. While performing the work, KPMG has assumed the genuineness of all signatures and the authenticity of all original documents in respect of the information received by it. It has not independently verified the correctness or authenticity of the same. The KPMG Reports may make reference to "KPMG Analysis"; this indicates only that it has (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented. In accordance with its policy, KPMG disclaims all responsibility and liability for any costs, damages, losses, liabilities incurred by any third party including subscribers/users/transmitters/distributors in the Offer who uses or relies upon the KPMG Reports or extracts therefrom.

Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the 12-month period ended March 31 of that year.

Overview

Our business comprises three segments – matchmaking services, marriage services and related sale of products and other services which include our mobile-only relationship app, “Matchify”.

According to the comScore Report, we are the leading provider of online matchmaking services in India in terms of the average number of website pages viewed by unique visitors in May 2015 (Matrimony.com data does not include data from all sites under Matrimony.com). We deliver matchmaking services to our users in India and the Indian diaspora through our websites, mobile sites and mobile apps complemented by our on-the-ground network in India. Our brand, BharatMatrimony.com, has been ranked as India’s most trusted online matrimony brand by The Brand Trust Report India Study 2014 (a study covering 20,000 brands across 16 cities) and we believe that our other matchmaking brands such as CommunityMatrimony.com, AssistedMatrimony.com and EliteMatrimony.com are well-established in India.

According to the Online Matchmaking Report, there were approximately 93 million unmarried individuals in India within the marriageable age bracket in 2014, being 18 to 35 years for females and 21 to 35 years for males. It is estimated that approximately 71 million marriages will take place in India from 2015 to 2020. In addition, it is estimated that as of July 1, 2014, there were approximately 243 million Internet users (being individuals, of any age, who can access the Internet at home, via any device type (PC or mobile) and connection) in India, with an Internet penetration of 19.19%, compared to approximately 86.75% in the United States and 46.03% in China (source: <http://www.internetlivestats.com/>). According to the Online Matchmaking Report, the number of Internet users in India is expected to reach over 500 million users by fiscal 2018, which would increase the penetration level to slightly under 40.00% of the Indian population. Our leading position in the online matchmaking market in terms of the average number of website pages viewed by unique visitors in May 2015 in India allows us to take advantage of this opportunity.

According to the United Nations Children’s Fund, as of 2012, approximately 89.00% of marriages in India are arranged (source: “Arranged/Forced Marriage Statistics – Statistic Brain” 2014 Statistic Brain Research Institute, publishing as Statistic Brain. April 17, 2015 <http://www.statisticbrain.com/arranged-marriage-statistics/>). Such arranged marriages are largely facilitated by families, friends, community elders, priests or matchmaking agencies. However, increasing mobility of individuals in Indian society, increasing freedom of choice over key life decisions and the reach, choice, privacy, speed of communication and interaction provided by the online medium provide an opportunity for online matchmaking service providers like our Company. The younger generation in India is increasingly seeking to play a larger role in the decision-making process for their marriages. Online matchmaking service providers aim to bridge this gap and provide an online platform for arranged marriages whereby prospective brides and grooms and their families can both participate in the process of finding marriage partners.

As one of the first companies to provide online matchmaking services in India, we believe that we have an early mover advantage among consumers seeking online matchmaking services. As of March 31, 2015, we had a large database of profiles comprising 2.65 million active profiles (being profiles that have been published or logged in at least once during the prior 180-day period), which we believe creates a network effect that attracts more users to register or subscribe through our websites, mobile sites and mobile apps and also results in higher customer engagement, which in turn drives monetization of our user base and enables us to maintain a leading position in the online matchmaking market in India. According to the Key Business Metrics Report, in fiscal 2013, fiscal 2014 and fiscal 2015, we had 568,000, 571,000 and 647,000 paid subscriptions, respectively. We also believe that we have a high degree of brand recall and trust in India, as evidenced by the average number of our website pages viewed by unique visitors in May 2015 in the comScore Report (Matrimony.com data does not include data from all sites under Matrimony.com), and an efficient business model with low credit risk which has allowed us to fund the growth of our business primarily through internal accruals since fiscal 2009.

We differentiate ourselves from other players in India by following a micro-market strategy whereby we offer a range of targeted and customized products and services that are tailored to meet the requirements of customers based on their linguistic, religious, caste and community preferences as well as personalized matchmaking services such as AssistedMatrimony and EliteMatrimony. We leverage technology and analytics across all stages of the matchmaking process to drive acquisition of profiles, assist members in completing their profiles, validate profiles based on rules designed to remove inappropriate content in near real-time, identify appropriate channels of service

for members and assist members in choosing the right packages, thereby helping in value creation and monetization. We believe that such technology and analytics are secure, scalable and analyze large volumes of data.

We intend to continue to invest in our mobile platform in view of the increasing mobile usage among users in India. To increase our footprint on the mobile platform, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows and intend to continue to expand our mobile offerings. For example, we have, through our subsidiary Matchify Services Private Limited, recently introduced a mobile-only relationship app, “Matchify”, on the Android mobile platform.

According to the Marriage Services Report, the marriage services industry in India is estimated to be worth Rs. 3,290 billion in fiscal 2014, with catering, decoration, venue, gifts and photography accounting for approximately 61.00% of marriage services spends in fiscal 2014. However, the majority of the categories of marriage services in India are unorganized and highly fragmented, presenting a potential opportunity for an organized aggregator to provide these services. In this regard, we are expanding into the growing marriage services market to complement and leverage off our online matchmaking services. For example, we have launched marriage services such as MatrimonyDirectory.com, a listing website for marriage-related directory services including listings for wedding venues, wedding planners, wedding cards and caterers, and have also recently introduced MatrimonyPhotography.com to provide wedding photography and videography services, which has been launched in Tamil Nadu and Kerala. According to the Marriage Services Report, it is expected that Indian weddings will become more elaborate and extravagant due to factors such as rising disposable incomes, the gradual shift towards convenience and the aspiration for personalized weddings, leading to an increase in wedding spend from customers. We believe that our proposed diversification beyond online matchmaking to marriage services, through the launch of marriage services initiatives, provides an opportunity for us to tap into this emerging segment. We believe that the provision of ancillary marriage services is an extension of our online matchmaking business and we will benefit from having a common customer base that has been acquired over the years through our online matchmaking business.

To support our online matchmaking services and marriage services initiatives, we have devoted resources to developing and maintaining our sales infrastructure, sought to develop innovative products and product features to enhance user experience through our research and development efforts, instituted information security policies and established corporate governance policies and practices.

In fiscal 2013, fiscal 2014 and fiscal 2015, we generated consolidated total revenue of Rs. 1,887.83 million, Rs. 2,073.14 million and Rs. 2,428.41 million, respectively, of which Rs. 1,873.22 million, Rs. 1,988.55 million and Rs. 2,319.91 million, respectively, was attributable to our matchmaking services segment. Our restated consolidated profit before exceptional items, interest, tax, depreciation and amortization (EBITDA) was Rs. 161.99 million, Rs. 130.46 million and Rs. 178.08 million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively. Our restated consolidated profit before minority interest from continuing operations was Rs. 104.35 million in fiscal 2013 and our restated consolidated loss before minority interest from continuing operations was Rs. 91.35 million and Rs. 29.04 million in fiscal 2014 and fiscal 2015, respectively, which are largely attributable to certain exceptional item losses in fiscal 2014 and fiscal 2015.

Factors Affecting our Results of Operations

Our business and results of operations have been affected by a number of important factors that we believe will continue to affect our business and results of operations in the future. These factors include the following:

Our User Base and Network Effect

Our user base consists of persons who register with our matchmaking websites, mobile sites and mobile apps. Registration of members and the listing of member profiles on our matchmaking websites, mobile sites and mobile apps are free and while we offer certain services to both free and paid members, the ability to access contact information of prospective matches and certain other features offered on our websites, mobile sites and mobile apps is reserved for paid members only. Membership subscription fee is pre-paid and packages are available for a term of three months to one year. According to the Key Business Metrics Report, as of March 31, 2015, we had a database comprising 2.65 million active profiles, being profiles that have been published or logged in at least once during the

prior 180-day period and 20.89 million free profiles had been added to our database since January 2006. Our revenue, which predominantly consists of membership subscription fees, is dependent on our ability to monetize our user base by encouraging existing users to convert from free membership to paid subscriptions and also by increasing our average transactional value (“**ATV**”), being the total revenue earned (net of service tax) from our matchmaking services segment for the period divided by the total number of paid subscriptions for the period. According to the Key Business Metrics Report, in fiscal 2013, fiscal 2014 and fiscal 2015, our subscription percentage, being the percentage of the paid subscriptions from matchmaking services for the period divided by the total registrations for the period, was 21%, 23% and 25%, respectively, and ATV was Rs. 3,325, Rs. 3,551 and Rs. 3,655, respectively. This is, in turn, dependent on our ability to continue to maintain and/or grow our database as online matchmaking websites are only attractive to users if they have a large database of profiles of prospective brides and grooms. We believe that by providing quick and easy access to our large database of profiles, we provide a compelling user experience that will create a network effect which will in turn increase the number of users who register with our websites and/or convert from free membership to paid subscription. We believe this will create a self-perpetuating growth cycle that enables us maintain a leading position in the online matchmaking market in India. We are also expanding into the growing marriage services market to complement and leverage our existing user base for online matchmaking services.

Innovation and Customization

Constant innovation and customization of our products and services and our service delivery platforms are key to ensuring that we are able to maintain a steady growth in the number of users of our products and services, retain existing members and also convert free members into paid subscribers, which will in turn drive our revenue. We have adopted a micro-market strategy whereby we offer a broad range of customized and innovative products and services that are tailored to meet the requirements of customers based on their linguistic, religious, caste and community preferences. Through our AssistedMatrimony services, we provide personalized matchmaking services through relationship managers to busy professionals or users who require assistance with matchmaking. We provide specialized matchmaking services through experienced relationship managers for the rich and affluent through our EliteMatrimony services. We also leverage technology and analytics extensively by employing and utilizing business intelligence, data warehousing, data analytics with IBM Unica systems for campaign management and Matrimony.com’s Intelligent Matchmaking Algorithm (“**MIMA**”), a real-time recommendation engine which we have developed in-house using mathematical rules and machine learning systems that recommends the most appropriate profiles to members, thereby enhancing user experience. In 2015, we received a certificate of excellence from the National Association of Software and Services Companies (“**NASSCOM**”) for “innovative application of analytics for business solution”. In addition, we continue to invest resources and incur expenses towards developing our mobile platforms and offerings in view of the increasing usage of mobile phones in India. To increase our footprint on the mobile platform, we have developed a range of mobile apps across mobile platforms including iOS, Android and Windows and intend to continue to expand our mobile offerings.

Branding

Brand recognition is critical to the success of our online business since our primary service delivery platforms are currently the Internet and mobile. It is critical that we establish and maintain strong visibility and awareness of our brands. We believe that we have a high degree of brand recall in India, which is crucial in distinguishing our products and services from those of our competitors. We believe that our brands help us to attract new users to our websites, mobile sites and mobile apps which in turn drive the growth of our registered user base and paid subscriptions. We intend to leverage our brands to offer new products and marriage services. We spend significant financial and other resources on advertising and publicizing our brands, through campaigns on TV, radio, print and the online medium. Our BharatMatrimony “Happy Marriage” television commercial was voted among the top 10 advertisements of 2013 by the brand equity editorial panel of a leading business newspaper in India, The Economic Times and also won a special jury mention for gender sensitivity (2013-2014) at The National Laadli Media and Advertising Awards in 2015 for portraying women positively. Our success in brand-building efforts will affect our business and results of operations. In fiscal 2013, fiscal 2014 and fiscal 2015, our advertisement and business promotion expenses were Rs. 462.40 million, Rs. 481.38 million and Rs. 532.52 million, respectively. We expect our advertisement and business promotion expenses to continue to increase and constitute a large proportion of our total expenses in the future as we continue to build our brands.

Internet and Mobile Internet Usage

As a substantial portion of our business is conducted online through our websites, mobile sites and mobile apps, the growth of Internet and mobile Internet usage in India would have a substantial impact on our business and results of operations. It is estimated that as of July 1, 2014, there were approximately 243 million Internet users (being individuals, of any age, who can access the Internet at home, via any device type (PC or mobile) and connection) in India, with an Internet penetration of 19.19 %, compared to approximately 86.75% in the United States and 46.03% in China (source: <http://www.internetlivestats.com/>). According to the Online Matchmaking Report, the number of Internet users in India is expected to reach over 500 million users by fiscal 2018, which would increase the penetration level to slightly under 40.00% of the Indian population. In addition, it is estimated that mobile Internet penetration in India will grow at an average CAGR of 25.00% to reach 519 million users by fiscal 2018 (source: <http://timesofindia.indiatimes.com/tech/tech-news/India-to-have-519-million-mobile-internet-users-by-FY18-Morgan-Stanley/articleshow/36656019.cms>).

Diversification into New Products and Services

We are constantly evaluating the possibilities of expanding our business in the matrimony space through introduction of new products and services, such as our “Till-U-Marry” subscription package and our “twin pack” combination package which offers access to both our BharatMatrimony.com and CommunityMatrimony.com database. We also intend to continue to invest in building out our marriage services verticals, with a focus on adjacent areas with a high degree of synergy with our core online matchmaking business, to target our existing online matchmaking clients and also clients who require marriage services. For example, to complement our online matchmaking services and to take advantage of certain gaps in the marriage services market in India, we have launched marriage services such as MatrimonyDirectory.com for listing of marriage-related directory services and MatrimonyPhotography.com to provide wedding photography and videography services. We have also introduced Tambulya.com, an online marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts for weddings and other occasions on a bulk order basis. We have also recently introduced a mobile-only relationship app, “Matchify”, which focuses on the mobile dating space in India and seeks to help users find a match closer to their location and interest.

At this time, the diversification of our business and the introduction of new products and services are in their early stages. Although we believe that there are synergies between our current online matchmaking business and our expansion plans, we do not have any experience or expertise in certain of these new products and services. These new products and services may pose significant challenges to our administrative, financial and operational resources. The early stages and evolving nature of some of these products and services also make it difficult for us to predict the competition and the consumer demand for such products and services.

Competition

The matchmaking industry in India is highly competitive, and we expect that the competition in this industry will continue to increase. Our key online matchmaking competitors are Shaadi.com and Jeevansathi.com, and our offline competitors include the more traditional brick and mortar companies offering marriage bureau and matchmaking services as well as community associations. The contents of our database are provided by customers who are not bound by any exclusivity with us and are therefore not prohibited from providing the same content to our competitors, some of whom may provide online matchmaking services at a heavy discount or for free in an effort to attract more customers and build up a substantial database of profiles of prospective brides and grooms, which also impacts our ability to increase the price of our products and services. Increased competition may reduce our operating margins as we expend more of our resources to develop new products and services and increase our marketing and promotional efforts to maintain our market position and to strengthen our brands. Our ability to adequately address these competitive pressures in the future will in part determine the success of our business.

Business Models

Our business comprises three segments – matchmaking services, marriage services and related sale of products and other services which include our mobile-only relationship app, “Matchify”. Our matchmaking service segment is based on a subscription revenue model and our marriage services and related sale of products segment is based on a

diverse revenue model ranging from listing fees, transaction fees and commission income. “Matchify” is currently a free service.

We believe that our business model is efficient and tailored for the Indian market. Members who subscribe for our paid online matchmaking packages are required to make payments in advance before they are able to access certain features and functionalities on our websites, mobile sites and mobile apps that are not available to free members, which we believe results in low credit risk in our matchmaking business. In fiscal 2015, subscription revenue accounted almost all of our revenue for matchmaking services and our matchmaking services segment accounted for 95.53% of our consolidated total revenue, and we had 647,000 paid subscriptions.

Funding and Capital Efficiency

We received funding totaling to Rs. 999.34 million with the last major round of funding in fiscal 2008. The major investors of our series A optionally convertible redeemable preference shares, series B compulsorily convertible preference shares and series C compulsorily convertible cumulative preference shares were Canaan VII Mauritius, Yahoo! Netherlands BV and Mayfield XII, Mauritius. Our current investors include Bessemer India Capital Holdings II Limited and CMDDB II which bought the shares owned by Yahoo! Netherlands BV and Cannan VII Mauritius on their exit in fiscal 2012 and fiscal 2015, respectively. We have maintained a focus on capital efficiency and have funded the growth of our business through internal accruals since fiscal 2009.

Employee Benefits Expense

Employee benefits expense represents our largest expense. The specialized skills we require can be difficult and time-consuming to acquire, train and develop and, as a result, these skills are often in short supply. Our Company had 4,106 employees (based on the payroll register of the Standalone Company as of March 21, 2015, the 21st of each month being the cut-off date for our payroll processing) and our employee benefits expense was Rs. 750.91 million, Rs. 878.89 million and Rs. 1,059.28 million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, which was 39.78%, 42.39% and 43.62% of our total revenue in those periods, respectively. Our success in retaining and hiring employees to suit our business needs, implementation of productivity measures in relation to employees and managing the inflation in employees’ wages affects our results of operations. Please see “*Business—Sales, Customer Service and Marketing*” and “*Business—Employees*” on pages 161 and 164, respectively, for further details. We expect our employee benefits expense to increase in the future as we hire additional employees and increase our expenditure on staff welfare and other benefits.

Demerger of Property Listing and Advisory Services Business

In fiscal 2013, we demerged our property listing and advisory services business (the “**Demerged Undertaking**”) to India Property Online Private Limited (“**IPOPL**”) through a scheme of arrangement which was approved by the High Court of Madras on February 15, 2013 and registered with the Registrar of Companies on March 1, 2013. The Demerged Undertaking, with a book value of net asset of Rs. 4.23 million as of March 31, 2012, was transferred to, and vested in, IPOPL, in the demerger with effect from April 1, 2012. The book value of net asset of the Demerged Undertaking was adjusted against our securities premium account in accordance with the provision of the scheme.

For further details, see the section entitled “*History and Certain Corporate Matters – Major Events and Milestones – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of arrangement and demerger between our Company, India Property Online Private Limited and their respective shareholders and creditors*”.

Litigation Expenses

We have incurred substantial legal costs aggregating to Rs. 366.85 million in respect of fiscal years 2013 to 2015 towards legal or other fees and expenses, in connection with disputing, preparing and defending our Company, our Promoter, our subsidiaries and our investors against the claims of the plaintiffs in the *Desai et al. v. Infonauts, Inc., et al.* litigation. For further information on the litigation, please see the section titled “*Outstanding Litigation and Material Developments*” on page 346. The legal costs incurred with regard to this litigation have been disclosed as

an exceptional item in our financials as it is a material item that falls within the ordinary activities of our Company, but has to be disclosed separately by virtue of its size and incidence.

Our Critical Accounting Policies

We believe the following are the critical accounting policies and related judgments and estimates used in the preparation of our financial statements. For more information on each of these policies, see the restated consolidated financial statements and restated standalone financial statements included in the Draft Red Herring Prospectus.

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from services

Revenue from subscriptions towards matrimony service contracts are recognized pro-rata over the period of the contract as and when services are rendered.

Revenue from photography service contracts are recognized on the basis of proportionate completion method where the revenue is recognized proportionately with the degree of completion of services.

We collect service tax on behalf of the Government and therefore, it is not an economic benefit flowing to us. Hence, it is excluded from revenue.

Income from sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Segment Reporting

Identification of segments

In accordance with the Accounting Standard 17 "Segment reporting" notified by Companies (Accounting Standard) Rules, 2014, we presented our segmental information adopting business segment as the primary reporting format and geographical segment as the secondary reporting format.

Up till fiscal 2014, we presented our entire business as a single segment.

In fiscal 2015, in view of certain new products launched by us and based on the internal structure and evaluation of risks and rewards of the various section of the business, we have identified three business segments, namely matchmaking services, marriage services and related sale of products and other services as the primary reportable segments.

Our segment disclosure for earlier years have also been prepared and disclosed in accordance with the revised segment policy in our Restated Consolidated Summary Statements.

Our operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services.

Inter-segment transfers

We generally account for inter-segment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment on a reasonable basis.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

We prepare our segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of our Company as a whole.

Tangible Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

Depreciation on Tangible Fixed Assets

Depreciation on fixed assets is calculated on a straight line basis using the rates arrived at based on the useful lives estimated by management. Up till fiscal 2014, depreciation rates prescribed under Schedule XIV to the Companies Act, 1956 were treated as minimum rates and we were not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. From fiscal 2015, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013, which prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Category of assets	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Furniture and fixtures	2-5	2-5	2-5	16	16
Computer and Network Equipment	4-6	6	6	6	6
Vehicles	5	5	5	10.5	10.5
Plant & Machinery	5	5	NA	NA	NA
Office Equipment	2-7	2-7	2-7	3-21	3-21

In fiscal 2013, we revised the estimated useful life of furniture and fixtures, office equipment, vehicles and leasehold improvements, which resulted in an additional charge of depreciation amounting to Rs. 12.66 million in that fiscal year. Further, in fiscal 2015, we revised the estimated useful lives of Computers and Network Equipment which resulted in an additional charge of depreciation amounting to Rs. 9.05 million in that fiscal year. These changes are considered as a change in the estimates and consequently no retrospective adjustments have been made.

Wherever we have applied useful lives different from Schedule II of the Companies Act, 2013, adequate internal assessment and technical evaluation have been performed.

Leasehold improvements are amortized over the primary period of lease or 7 years, whichever is lesser.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Acquired domain names amortized on straight line basis over the period of rights, ranging between one to 10 years.

Expenses incurred on first time development of online portals are capitalized as “Portal Development” and are amortized on straight line basis over a period of three years.

Computer software is depreciated using the straight-line method over a period based on our management’s estimate of useful lives of such software (three years), or over the license period of the software, whichever is shorter.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Impairment of Tangible and Intangible Assets

We assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, we estimate the asset’s recoverable amount, as the higher of an asset’s or cash-generating units (“CGU”) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value at the pre-tax discount rate reflecting current market assessment of time value of money and risks specific to asset. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market

transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment

Leases

Where we are a lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Inventories

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Cost is determined on the basis of weighted average cost method.

Income Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where we have unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, we re-assess unrecognized deferred tax assets. We recognize unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. We write down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (“MAT”) paid in a year is charged to our statement of profit and loss as current tax. We recognize MAT credit available as an asset only to the extent that there is convincing evidence that we will pay normal income tax during the specified period (i.e. the period for which MAT credit is allowed to be carried forward). In the year in which we recognize MAT credit as an asset in accordance with the “Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961”, the said asset is created by way of credit to our statement of profit and loss and shown as “MAT Credit Entitlement”.

Employee Stock Compensation Cost

Our employees (including senior executives) receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. We measure compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

Measurement of EBITDA

As permitted by Schedule III of the Companies Act, 2013, we have elected to present earnings before interest, tax, depreciation and amortization (“EBITDA”) as a separate line item on the face of the statement of profit and loss. We measure EBITDA on the basis of profit/(loss) from continuing operations. In such measurement, we do not include depreciation and amortization expense, finance costs, finance income and tax expense.

Foreign Currency Translation

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

The revenue transactions of the integral operations are recorded at weighted average monthly rates for practical rates for practical purpose where such rates approximate the exchange rate at the date of transactions.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on translation/settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise.

(iv) Translation of integral foreign operations

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of our Company. The resulting difference on account of translations is recorded in the statement of profit and loss.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of our Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Our Company does not recognize a contingent liability but discloses its existence in the financial statements.

Our Income

Revenue from Operations

A substantial portion of our revenue from operations is derived from our online matchmaking services. We also generate revenue from operations through the provision of marriage services and the sale of return gifts.

Other Income

The key components of our other income are interest income from bank deposits and loans, liabilities no longer required to be written back with respect to unreconciled customer advances and rental income comprising seat sharing revenue from IPOPL.

Our Expenses

Our expenses primarily consist of the following:

- *Employee benefits expense*, which consists primarily of salaries, incentive and bonus, directors' remuneration, employee conveyance, staff welfare costs, recruitment and training costs, and other payments and amounts reserved to fulfill our statutory obligations to our employees such as the provision of gratuity under our defined benefit gratuity plan pursuant to the Payment of Gratuity Act, 1972, in India and the local regulations in Dubai.
- *Advertisement and business promotion expenses*, which consist primarily of online and offline marketing expenses:
 - Online marketing expenses include the costs of profile acquisitions from websites such as Google.
 - Offline marketing expenses include costs of television, radio and newspaper advertisements and outdoor advertisements such as hoardings and billboards.

For further details, see “*Business – Marketing*” on page 162.

- Other expenses, which consists primarily of web hosting charges, electricity charges, rent and amenities, repair and maintenance expenses, travelling and conveyance expenses, communication costs, legal and professional fees, collection charges and other miscellaneous expenses.

Our Tax Expenses

Our tax expenses consist of current tax, which reflects primarily income tax on profits and other income.

Results of Operations

This section discusses and analyzes our results of operations for fiscal 2015 compared to fiscal 2014 and fiscal 2014 compared to fiscal 2013. We discuss our results of operations on both a consolidated and a segmental basis.

The following table sets forth a summary of our consolidated statement of profits and losses, as restated, by amount and as a percentage of our total revenue during the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any other future period.

	Fiscal 2015		Fiscal 2014		Fiscal 2013	
	(Rs. million)	%	(Rs. million)	%	(Rs. million)	%
Income from continuing operations						
Revenue from operations						
Match making services	2,319.91	95.53	1,988.55	95.92	1,873.22	99.23
Marriage services	73.50	3.03	50.74	2.45	9.93	0.53
Sale of products – return gifts	20.71	0.85	15.09	0.73	2.92	0.15
Other services	-	-	-	-	-	-
Other income	14.29	0.59	18.76	0.90	1.76	0.09
Total revenue	2,428.41	100.00	2,073.14	100.00	1,887.83	100.00
Expenses						
Purchase of traded goods	15.10	0.62	12.78	0.62	3.40	0.18
Increase/(decrease) in inventories of traded goods	3.85	0.16	(2.57)	(0.12)	(0.95)	(0.05)
Employee benefits expenses	1,059.28	43.62	878.89	42.39	750.91	39.78
Advertisement and business promotion expenses	532.52	21.93	481.38	23.22	462.40	24.49
Other expenses	639.58	26.34	572.20	27.60	510.08	27.02
Total expenses	2,250.33	92.67	1,942.68	93.71	1,725.84	91.42
Restated profit before exceptional items, interest, tax, depreciation and amortization (EBITDA)	178.08	7.33	130.46	6.29	161.99	8.58
Depreciation and amortization expense	81.67	3.36	56.36	2.72	64.69	3.43
Finance cost	15.71	0.65	8.22	0.40	14.01	0.74
Finance income	(32.14)	(1.32)	(31.78)	(1.53)	(39.66)	(2.10)
Restated profit before exceptional items, tax and minority interest from continuing operations	112.84	4.65	97.66	4.71	122.95	6.51
Less: Exceptional items	141.78	5.84	188.97	9.12	18.58	0.98
Restated profit / (loss) before tax and minority interest from continuing operations	(28.94)	(1.19)	(91.31)	(4.40)	104.37	5.53
Tax expense						
Current tax	0.10	0.00	0.04	0.00	0.02	0.00
Total tax expense	0.10	0.00	0.04	0.00	0.02	0.00
Restated profit / (loss) before minority interest from continuing operations (A)	(29.04)	(1.20)	(91.35)	(4.41)	104.35	5.53
Discontinuing operations						
Loss before tax from discontinuing operations	-	-	-	-	-	-
Tax expense relating to discontinuing operations	-	-	-	-	-	-
Restated loss after tax from discontinuing operations before minority interest (B)	-	-	-	-	-	-
Minority interest	0.25	0.01	0.24	0.01	0.25	0.01
Restated profit / (loss) for the year (A+B)	(29.29)	(1.21)	(91.59)	(4.42)	104.10	5.51

Key Business Metrics

The following table sets forth a summary of our key business metrics during the periods indicated. Our historical performance presented below is not necessarily indicative of the performance that may be expected for any other future period.

Portal Metrics	Fiscal 2015	Fiscal 2014	Fiscal 2013
Ever registrations (in millions)*	20.89	18.32	15.80
Active profiles (in millions)*	2.65	2.40	2.42
Free registrations (in millions)	2.57	2.52	2.66
Average registrations per day	7,043	6,907	7,291
Subscription %	25%	23%	21%
Financial Metrics	Fiscal 2015	Fiscal 2014	Fiscal 2013
Paid subscriptions (in thousands)	647	571	568
Headcount^	4,106	3,674	3,629
Retail*	193	184	246
Service Delivery Centres (number of cities)*	12	12	14
Average Transaction Value (Rs.)	3,655	3,551	3,325

* As on last date of the given time period.

^ Based on the payroll register of the Standalone Company as of 21st of fiscal closing month, the 21st of each month being the cut-off date for our payroll processing.

Segments

We report three segments for our business based on the internal reports reviewed by our board of directors that are used by our board of directors to make strategic decisions. Our board assesses the performance of the segments based on revenue and results. The segments identified by the board are based on the nature of the services provided. Our board considers the business based on similarity of the services provided and the nature of the risks and returns associated with each business.

Our business is organized into three segments – matchmaking services, marriage services and related sale of products and other services which include our mobile-only relationship app, “Matchify”.

To enhance understanding of our underlying business performance, we report our results for each segment in our Restated Consolidated Summary Statements. The following table sets forth our segmental revenue and results during the periods indicated.

	Fiscal 2015	Fiscal 2014	Fiscal 2013
	(Rs. million)		
Segment Revenue			
Matchmaking services	2,319.91	1,988.55	1,873.22
Marriage services and related sale of products	94.21	65.83	12.85
Other services	-	-	-
Elimination of inter-segment sales	-	-	-

Total	2,414.12	2,054.38	1,886.07
Segment Results			
Matchmaking services	339.77	231.34	207.25
Marriage services and related sale of products	(132.64)	(83.17)	(44.05)
Other services	(1.77)	-	-
Total	205.36	148.17	163.20

Fiscal 2015 Compared to Fiscal 2014

Total Revenue. We had total revenue from continuing operations of Rs. 2,428.41 million in fiscal 2015, an increase of 17.14% over our total revenue from continuing operations of Rs. 2,073.14 million in fiscal 2014. This increase in total revenue was primarily due to a 17.51% increase in revenue from operations in fiscal 2015 from fiscal 2014, offset by a 23.83% decrease in other income in fiscal 2015 from fiscal 2014.

- **Revenue from operations.** Our revenue from continuing operations increased by 17.51% to Rs. 2,414.12 million in fiscal 2015 from Rs. 2,054.38 million in fiscal 2014. This increase was primarily due to an increase in our revenue from matchmaking services. In fiscal 2015, 96.10% of our revenue from operations was from matchmaking services and 3.90% was from Marriage services and sale of products - return gifts.

Total Expenses. Our total expenses increased by 15.84% to Rs. 2,250.33 million in fiscal 2015 from Rs. 1,942.68 million in fiscal 2014. This increase was primarily due to increased employee benefits expenses, advertisement and business promotion expenses and other expenses, as well as an increase in the purchase of traded goods. As a percentage of our total revenue, our total expenses decreased slightly from 93.71% in fiscal 2014 to 92.67% in fiscal 2015.

- **Employee benefits expenses.** Our employee benefits expenses totaled Rs. 1,059.28 million in fiscal 2015, a 20.52% increase over our employee benefits expense of Rs. 878.89 million in fiscal 2014. This increase was principally attributable to an increase in the number of our Company's employees from 3,674 (based on the payroll register of the Standalone Company as of March 21, 2014, the 21st of each month being the cut-off date for our payroll processing) to 4,106 (based on the payroll register of the Standalone Company as of March 21, 2015, the 21st of each month being the cut-off date for our payroll processing), as well as an increase in remuneration levels. Our number of employees increased due to the expansion of our business, in particular our sales, marketing, customer care and technology personnel and support functions.
- **Advertisement and business promotion expenses.** Our advertisement and business promotion expenses totaled Rs. 532.52 million in fiscal 2014, a 10.62% increase over our advertisement and business expenses of Rs. 481.38 million in fiscal 2014, in furtherance of our growth and expansion strategy.
- **Other expenses.** Our other expenses totaled Rs. 639.58 million in fiscal 2015, an 11.78% increase over our other expenses of Rs. 572.20 million in fiscal 2014, which was principally attributable to an increase in infrastructure expenses such as web hosting charges, electricity charges, rent and amenities and repair and maintenance expenses in furtherance of our growth and expansion strategy as well as an increase in communication costs, legal and professional fees, collection charges and other miscellaneous expenses.

Restated Profit Before Exceptional Items, Interest, Tax, Depreciation and Amortization ("EBITDA"). As a result of the factors outlined above, our EBITDA increased 36.50% from Rs. 130.46 million in fiscal 2014 to Rs. 178.08 million in fiscal 2015. As a percentage of total revenue, our EBITDA increased from 6.29% in fiscal 2014 to 7.33% in fiscal 2015.

Depreciation and Amortization Expense. Depreciation and amortization totaled Rs. 81.67 million in fiscal 2015, a 44.91% increase over depreciation and amortization of Rs. 56.36 million in fiscal 2015, which was primarily attributable to an increase in provision for depreciation in our tangible and intangible assets.

Exceptional Items. We incurred legal costs of Rs. 146.24 million in fiscal 2015, a decrease of 22.61% from Rs. 188.97 million in fiscal 2014, in defending our Company, our Promoter and our investors in connection with the US

Litigation. For details regarding the outstanding litigation against our Promoter and Group Entities, see “*Outstanding Litigation and Material Developments*” on page 346. In addition, we have classified the following as exceptional items in fiscal 2015:

- We earned a profit of Rs. 4.00 million in connection with the sale of 300,000 equity shares held in Perspi Interactive Private Limited pursuant to a sale agreement dated September 1, 2014 with certain buyers.
- We earned a profit of Rs. 0.46 million in connection with the sale of our entire investment held in Matrimony Gifts Wholesale India Private Limited pursuant to a sale agreement dated December 29, 2014 with certain buyers. This sale was approved by our Company’s board of directors on December 30, 2014. The pending applications which had been filed by our Company before the Registrar of Trade Marks for registration of the label or trademark, “Tambulya”, shall rest with our Company.

Tax Expense. We recorded a current tax for continuing operations of Rs. 0.10 million in fiscal 2015 as compared to Rs. 0.04 million in fiscal 2014. This was principally due to income tax on taxable profits of our subsidiaries.

Restated Loss Before Minority Interest from Continuing Operations. As a result of the factors outlined above, our restated loss before minority interest from continuing operations was Rs. 29.04 million in fiscal 2015, a decrease of 68.21% from a restated loss before minority interest from continuing operations of Rs. 91.35 million in fiscal 2014.

Segment Analysis

Segment revenue

- *Matchmaking services* – Our revenue from matchmaking services increased by 16.66% to Rs. 2,319.91 million in fiscal 2015 from Rs. 1,988.55 million in fiscal 2014. The increase in revenue from matchmaking services was driven by (i) an increase of 13.31% in the number of paid subscriptions from 571,000 in fiscal 2014 to 647,000 in fiscal 2015 due to increased customer engagement on our portals and the introduction of campaign management and (ii) an increase of 2.93% in ATV from Rs. 3,551 in fiscal 2014 to Rs. 3,655 in fiscal 2015 primarily due to increased subscription in higher value products in fiscal 2015 and the usual year-on-year price increase in our subscription packages and services.
- *Marriage services and related sale of products* – Our revenue from marriage services and related sale of products increased by 43.11% to Rs. 94.21 million in fiscal 2015 from Rs. 65.83 million in fiscal 2014. The increase in revenue from marriage services and related sale of products was driven by (i) an increase of 44.86% in our marriage services revenue from Rs. 50.74 million in fiscal 2014 to Rs. 73.50 million in fiscal 2015 and (ii) an increase of 37.24% in our revenue from sale of products – return gifts from Rs. 15.09 million in fiscal 2014 to Rs. 20.71 million in fiscal 2015 attributable to Tambulya.com, an online marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts for weddings and other occasions on a bulk order basis.
- *Other services* – We have only recently introduced our mobile-only relationship app, “Matchify”, on the Android mobile platform, which focuses on the mobile dating space in India and seeks to help users find a match closer to their location and interest, and did not generate any revenue from our other services segment in fiscal 2015.

Segment results

- *Matchmaking services* – Segment results for matchmaking services was Rs. 339.77 million in fiscal 2015, representing an increase of 46.87% compared to Rs. 231.34 million in fiscal 2014. Segment results increased primarily as a result of an increase in revenue for matchmaking services, which was partially offset by an increase in expenses for matchmaking services. Segment results margin (segment results divided by segment revenue) for matchmaking services increased from 11.63% in fiscal 2014 to 14.65% in fiscal 2015.

- *Marriage services and related sale of products* – Segment results for marriage services and related sale of products was Rs. (132.64) million in fiscal 2015, representing an increased loss of 59.48% compared to Rs. (83.17) million in fiscal 2014. This segment result loss was primarily attributable to the one-off cost of winding up MatrimonyGifts Wholesale India Private Limited in fiscal 2015.
- *Other services* – Segment results for other services was Rs. (1.77) million in fiscal 2015. This segment result loss was primarily attributable to expenses incurred in launching our mobile-only relationship app, “Matchify”, on the Android mobile platform, which focuses on the mobile dating space in India and seeks to help users find a match closer to their location and interest.

Fiscal 2014 Compared to Fiscal 2013

Total Revenue. We had total revenue from continuing operations of Rs. 2,073.14 million in fiscal 2014, an increase of 9.82% over our total revenue from continuing operations of Rs. 1,887.83 million in fiscal 2013. This increase in total revenue was primarily due to an 8.92% increase in revenue from continuing operations in fiscal 2014 from fiscal 2013 and a 965.91% increase in other income in fiscal 2014 from fiscal 2013.

- *Revenue from operations.* Our revenue from continuing operations increased by 8.92% to Rs. 2,054.38 million in fiscal 2014 from Rs. 1,886.07 million in fiscal 2013. This increase was due to an increase in our revenue from matchmaking services and marriage services and sale of products - return gifts. In fiscal 2014, 96.80% of our revenue from operations was from matchmaking services and 3.20% was from marriage services.

Total Expenses. Our total expenses increased by 12.56% to Rs. 1,942.68 million in fiscal 2014 from Rs. 1,725.84 million in fiscal 2013. This increase was primarily due to increased employee benefits expenses, advertisement and business promotion expenses and other expenses as a consequence of certain business initiatives undertaken by our Company in fiscal 2014 to further grow our business such as the appointment of new business heads, the migration of our server in the United States to Tata Communications Limited, LVSB, Data Center Mumbai, the development of Matrimony.com’s Intelligent Matchmaking Algorithm (“MIMA”) analytics platform, the development of our mobile platform and the consolidation of loss-making retail units and Popular Matrimony outlets, as well as an increase in the purchase of traded goods. As a percentage of our total revenue, our total expenses increased slightly from 91.42% in fiscal 2013 to 93.71% in fiscal 2014.

- *Employee benefits expense.* Our employee benefits expenses totaled Rs. 878.89 million in fiscal 2014, a 17.04% increase over our employee benefits expense of Rs. 750.91 million in fiscal 2013. This increase was principally attributable to an increase in the number of employees from 3,629 (based on the payroll register of the Standalone Company as of March 21, 2013, the 21st of each month being the cut-off date for our payroll processing) to 3,674 (based on the payroll register of the Standalone Company as of March 21, 2014, the 21st of each month being the cut-off date for our payroll processing), as well as an increase in remuneration levels. Our number of employees increased due to the expansion of our business, in particular our sales, marketing, customer care and technology personnel, including the appointment of new business heads in fiscal 2014.
- *Advertisement and business promotion expenses.* Our advertisement and business promotion expenses totaled Rs. 481.38 million in fiscal 2014, a 4.10% increase over our advertisement and business promotion expenses of Rs. 462.40 million in fiscal 2013, in furtherance of our growth and expansion strategy.
- *Other expenses.* Our other expenses totaled Rs. 572.20 million in fiscal 2014, a 12.18% increase over our other expenses of Rs. 510.08 million in fiscal 2013, which was principally attributable to the growth of our business and the undertaking of certain business initiatives such as the migration of our server in the United States to Tata Communications Limited, LVSB, Data Center Mumbai and the development of our MIMA analytics platform in fiscal 2014 which resulted in a corresponding increase in expenditure on infrastructure such as web hosting charges, electricity charges, rent and amenities and repair and maintenance expenses as well as an increase in communication costs and collection charges.

EBITDA. As a result of the factors outlined above, our EBITDA decreased 19.46% from Rs. 161.99 million in fiscal 2013 to Rs. 130.46 million in fiscal 2014. As a percentage of total revenue, our EBITDA decreased from 8.58% in fiscal 2013 to 6.29% in fiscal 2014.

Depreciation and Amortization Expense. Depreciation and amortization totaled Rs. 56.36 million in fiscal 2014, a 12.88% decrease over depreciation and amortization of Rs. 64.69 million in fiscal 2013, which was primarily attributable to the sale/write-off of fixed assets on closure of loss-making retail units and Popular Matrimony outlets and the change in useful life of our depreciable assets in fiscal 2013.

Exceptional Items. We incurred legal costs of Rs. 188.97 million in fiscal 2014, an increase of 497.15% from Rs. 31.65 million in fiscal 2013, in defending our Company, our Promoter and our investors in connection with the US Litigation. For details regarding the outstanding litigation against our Promoter and Group Entities, see “*Outstanding Litigation and Material Developments*” on page 346.

Tax Expense. We recorded a current tax for continuing operations of Rs. 0.04 million in fiscal 2014 as compared to Rs. 0.02 million in fiscal 2013.

Restated Profit/Loss Before Minority Interest from Continuing Operations. As a result of the factors outlined above, our restated loss before minority interest from continuing operations was Rs. 91.35 million in fiscal 2014, a decrease of 187.54% from a restated profit before minority interest from continuing operations of Rs. 104.35 million in fiscal 2013.

Segment Analysis

Segment revenue

- *Matchmaking services* – Our revenue from matchmaking services increased by 6.16% to Rs. 1,988.55 million in fiscal 2014 from Rs. 1,873.22 million in fiscal 2013. The increase in revenue from matchmaking services was driven by (i) an increase of 0.53% in the number of paid subscriptions from 568,000 in fiscal 2013 to 571,000 in fiscal 2014 and (ii) an increase of 6.80% in ATV from Rs. 3,325 in fiscal 2013 to Rs. 3,551 in fiscal 2014 primarily due to increased subscription in higher value products in fiscal 2014 and the usual year-on-year price increase in our subscription packages and services.
- *Marriage services and related sale of products* – Our revenue from marriage services and related sale of products increased by 412.30% to Rs. 65.83 million in fiscal 2014 from Rs. 12.85 million in fiscal 2013. The increase in revenue from marriage services and related sale of products was driven by (i) an increase of 410.98% in our marriage services revenue from Rs. 9.93 million in fiscal 2013 to Rs. 50.74 million in fiscal 2014 and (ii) an increase of 416.78% in our revenue from sale of products – return gifts from Rs. 2.92 million in fiscal 2013 to Rs. 15.09 million in fiscal 2014 attributable to Tambulya.com, an online marketplace operated by our subsidiary, Tambulya Online Marketplace Private Limited, for gifts for weddings and other occasions on a bulk order basis.
- *Other services* – We did not generate any revenue from our other services segment in fiscal 2014 or fiscal 2013.

Segment results

- *Matchmaking services* – Segment results for matchmaking services was Rs. 231.34 million in fiscal 2014, representing an increase of 11.62% compared to Rs. 207.25 million in fiscal 2013. Segment results increased primarily as a result of an increase in revenue for matchmaking services, which was partially offset by an increase in expenses for matchmaking services. Segment results margin (segment results divided by segment revenue) for matchmaking services increased from 11.06% in fiscal 2013 to 11.63% in fiscal 2014.

- *Marriage services and related sale of products* – Segment results for marriage services and related sale of products was Rs. (83.17) million in fiscal 2014, representing an increased loss of 88.81% compared to Rs. (44.05) million in fiscal 2013. This segment result loss was primarily attributable to operational losses in this segment.
- *Other services* – There were no segment results for other services in fiscal 2014 or fiscal 2013.

Liquidity and Capital Resources

Over the past three years, we have been able to finance our working capital requirements through cash generated from our operations and financing through issuance of share capital. We have relied on cash from internal resources to finance the expansion of our business and operations, and do not have any debt (other than overdraft facilities with certain banks and a secured vehicle loan). Our primary liquidity needs are to finance our working capital requirements. We believe that after taking into account the expected cash to be generated from our business and operations (including customer advances), we have sufficient working capital for our present requirements and anticipated requirements for capital expenditures and other cash requirements for 12 months following the date of this Draft Red Herring Prospectus.

As of March 31, 2015, we had Rs. 531.24 million of cash and bank balances and no long-term borrowings (save for a vehicle loan of Rs. 8.21 million, of which Rs. 3.19 million representing current maturities have been classified under other current liabilities), which we believe is a competitive advantage for us and a platform to grow our operations without being constrained by significant reliance on external financing sources.

	As at		
	March 31, 2015	March 31, 2014	March 31, 2013
	(Rs. million)		
Cash and bank balances	531.24	373.04	318.29

Cash Flows

Most of our revenues, in the form of subscriptions, are received by us in advance of the provision of services. We recognize such revenues as income in the books of accounts in accordance with accepted revenue recognition norms. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company — Our Critical Accounting Policies*” beginning on page 329.

Due to the nature of our business, we have positive cash flow streams and have, historically, not required any working capital or other financing to meet our costs of operations. In addition, our cash flow streams result in us making certain short term and long-term investments, which we utilize to meet our liquidity requirements.

Set forth below is a table from our restated consolidated financial statements showing our cash flow from operating activities before exceptional items, cash flow used in investing activities and cash flow from financing activities.

	Fiscal 2015	Fiscal 2014	Fiscal 2013
	(Rs. million)		
Net cash generated from operating activities before exceptional items	227.96	201.21	123.31
Net cash used in investing activities	(148.30)	(146.06)	(60.72)
Net cash generated from/(used in) financing activities	152.43	97.33	(56.91)

Net cash from/(used in) operating activities before exceptional items

In fiscal 2015, our net cash from operating activities before exceptional items was Rs. 227.96 million, reflecting a net profit before taxation from continuing operations before exceptional items and minority interest of Rs. 112.84 million, an increase in short term loans and advances, other current assets, other current liabilities and long/short term provisions and a decrease in long term loans and advances during the fiscal year.

In fiscal 2014, our net cash from operating activities before exceptional items was Rs. 201.21 million, reflecting a net profit before taxation from continuing operations before exceptional items and minority interest of Rs. 97.66 million, an increase in trade payables, short term loans and advances and other current liabilities and a decrease in long/short term provisions during the fiscal year.

In fiscal 2013, our net cash from operating activities before exceptional items was Rs. 123.31 million, reflecting a net profit before taxation from continuing operations before exceptional items of Rs. 122.95 million, an increase in long term loans and advances and other current liabilities and a decrease in trade payables during the fiscal year.

Our cash flow used in exceptional items in fiscal 2015, fiscal 2014 and fiscal 2013 was Rs. 144.62 million, Rs. 153.06 million and Rs. 18.60 million, respectively.

Net cash used in investing activities

In fiscal 2015, our net cash used in investing activities was Rs. 148.30 million, principally attributable to an investment in bank deposits (with maturity more than three months) and the purchase of fixed assets. In fiscal 2014, our net cash used in investing activities was Rs. 146.06 million, principally due to investments in redeemable preference shares and bank deposits (with maturity more than three months) and the purchase of fixed assets, offset by the redemption of redeemable preference shares. In fiscal 2013, our net cash used in investing activities was Rs. 60.72 million, principally due to the purchase of fixed assets.

Net cash from/(used in) financing activities

In fiscal 2015, our net cash from financing activities was Rs. 152.43 million, primarily due to drawdown of overdraft facilities and proceeds from the issue of share capital. In fiscal 2014, our net cash from financing activities was Rs. 97.33 million, primarily due to the refund of advances provided to IPOPL prior to the demerger. In fiscal 2013, our net cash used in financing activities was Rs. 56.91 million, primarily due to the payment of a loan to IPOPL.

Indebtedness

Other than overdraft facilities with certain banks which are secured against our bank deposits with such banks and a secured vehicle loan, as of the date of this Draft Red Herring Prospectus, we do not have any credit facilities from any banks or financial institutions. Our total secured borrowings (long term and short term) as of March 31, 2015 was Rs. 275.48 million in connection with these overdraft facilities and the vehicle loan.

Capital Expenditures

Our capital expenditures are mainly related to the purchase of fixed assets and intangibles, principally plant and machinery, office equipment, furniture and fixtures, computer and network equipment. The primary source of financing for our capital payments has been our cash from operations.

The table below provides details of our net cash outflow or inflow on capital expenditures for the periods stated.

	Fiscal 2015	Fiscal 2014	Fiscal 2013
	(Rs. million)		
Cash used in purchase of fixed assets (including intangible assets, capital work-in-progress and capital advances), net off cash from proceeds from sale of fixed assets	100.44	121.74	101.68

Contractual Obligations

The table below sets forth, as of March 31, 2015, our contractual obligations with definitive payment terms. These obligations primarily relate to rent incurred under leases of our offices (including retail outlets) across India.

	As of March 31, 2015			
	Total	Less than one year	One to five years	After five years
	(Rs. million)			
Lease rent	448.10	151.82	278.70	17.58

Claims and Other Contingent Liabilities

As of March 31, 2015, the following claims against our Company and other contingent liabilities had not been provided for:

- *Desai et al. v. Infonauts, Inc., et. al* litigation – Our management believes that as our Company was not a party to the Term Sheet and has not incurred any obligation to the US Plaintiffs, the claim is not enforceable against our Company or our subsidiaries and no right has crystallized. For further information on the litigation, please see the section titled “*Outstanding Litigation and Material Developments*” on page 346.
- Service tax – Our Company has certain pending litigations with the Customs, Excise and Service Tax Appellate Tribunal (“CESTAT”) and on a prudent basis, we have provided for the service tax liabilities and interest. Further, our Company has received a demand order from the Commissioner of Service Tax for the period 2007-08 to 2009-10 under Section 78 of the Finance Act in relation to the non-payment of service tax on the import of certain services made during that period. Our Company has admitted the liability and made payments along with interest. Based on legal consultation, we believe that no provision is required to be made in the books in respect of the penalty of Rs. 6.91 million demanded by the authorities.
- FEMA reporting obligation – Our Company has filed a compounding application dated May 16, 2015 under the Foreign Exchange Management Act, 1999 in response to the compounding memorandum issued by the Reserve Bank of India for the delay in intimation of inward remittance towards investments received from non-resident investors and filing of Form FC-GPR for certain cases. Our management believes that the matter will not have any material impact on our financial statements.

The claims against our Company and other contingent liabilities may become actual liabilities. In the event that such claims and contingent liabilities become non-contingent, our business, financial condition and results of operations may be adversely affected. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future.

Off-Balance Sheet Transactions

We do not have any off-balance sheet transactions.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Other than overdraft facilities with certain banks which are secured against our bank deposits with such banks and a secured vehicle loan, as of the date of this Draft Red Herring Prospectus, we do not have any credit facilities from any banks or financial institutions. As a result, changes in interest rates are not likely to substantially affect our business or results of operations.

Exchange Rate Risk

We have certain advances and trade payables denominated in U.S. dollar and United Arab Emirates dirham. We currently do not use any foreign exchange hedging contracts to manage our exchange rate risk. However, historically, our results of operations have not been materially affected by fluctuation in exchange rates.

Inflation

In recent years, India has experienced relatively high rates of inflation. However, this has not had a material impact on our business and results of operations.

Unusual or Infrequent Events or Transactions

Except as discussed elsewhere in this Draft Red Herring Prospectus, there have been no events or transactions to our knowledge which could be described as “unusual” or “infrequent.”

Known Trends or Uncertainties

Except as discussed in the sections entitled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 15 and 323, respectively, and elsewhere in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have had or are expected to have a material adverse impact on our revenues.

Future Relationship between Costs and Income

Except as discussed in the sections entitled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 15 and 323, respectively, and elsewhere in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have had or are expected to have a material adverse impact on our operations or finances.

New Products or Business Segments

Except as discussed in this Draft Red Herring Prospectus, there are no new products or business segments in which we operate.

Seasonality of Business

Our business experiences seasonal fluctuations. We tend to experience lower revenue from our business during the second quarter of each year, which are considered inauspicious by our members. As a result, subscription revenues during such quarter would register a slight dip and quarter-to-quarter comparisons of our results may not be meaningful.

Competitive Conditions

We expect competition to intensify from existing and potential competitors both in the online businesses and from competitors who provide these services offline. For details of competitive conditions, please refer to the sections entitled “*Risk Factors*” and “*Our Business*” beginning on pages 15 and 149, respectively.

Significant Developments subsequent to March 31, 2015

To our knowledge, except as otherwise disclosed in this Draft Red Herring Prospectus, there is no subsequent development after the date of our financial statements contained in this Draft Red Herring Prospectus which materially affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Pursuant to a resolution of our shareholders dated June 25, 2015, the Board is authorised to borrow up to an amount ₹ 1,000,000,000 in excess of the paid up capital and free reserves of our Company for creation of charge/providing security for the sum borrowed on the assets of our Company.

Our Company has total borrowings amounting to ₹ 336.15 million out of which ₹ 294.60 million is outstanding As on July 31, 2015. Set forth below is a brief summary of our outstanding financial arrangements as on July 31, 2015.

Overdraft facilities

As on July 31, 2015, our Company has total overdraft limit amounting to ₹ 326.15 million out of which ₹ 287.40 million is outstanding and repayable by our Company. Provided below is a brief description of the overdraft facilities obtained by our Company as on July 31, 2015:

1. HDFC Bank Limited sanctioned an overdraft limit of ₹ 248.75 million to our Company, through its letter dated January 21, 2015. The amount was sanctioned against a fixed deposits of ₹ 281.34 million maintained with HDFC Bank Limited. As on July 31, 2015 ₹ 248.89 million was outstanding and repayable by our Company at an interest rate of 9.25% p.a. in respect of this overdraft facility; and
2. Indian Overseas Bank granted a cash credit limit of ₹ 77.40 million to our Company, through its letter dated July 9, 2015. The amount was against term deposits of ₹ 90.96 million maintained with Indian Overseas Bank. As on July 31, 2015 ₹ 38.51 million was outstanding and repayable by our Company at an interest rate of 9.82% p.a. in respect of this overdraft facility.

Vehicle loans

Our Company has availed a loan of ₹ 10.00 million from HDFC Bank Limited on August 21, 2014 for the purpose of financing purchase of a vehicle. The total amount outstanding as on July 31, 2015, is ₹ 7.20 million. The rate of interest payable on the loan is 10.01 % p.a and the loan is repayable in 36 monthly installments.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) litigation against our Company, Subsidiaries, Directors and any other person whose outcome could have a material adverse effect on the position of our Company; (ii) litigation against the Directors involving violation of statutory regulations or alleging criminal offence; (iii) criminal/civil prosecution against the Directors for any litigation towards tax liabilities; (iv) pending proceedings initiated for economic offences against our Company and Directors; (v) adverse findings in respect of our Company and Subsidiaries as regards compliance with the securities laws; (vi) past cases of penalties imposed by authorities on our Company or Directors; (vii) litigation and defaults pertaining to matters likely to affect operations and finances of our Company and Subsidiaries, including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013; (viii) pending litigation, defaults, non payment of statutory dues, proceedings initiated for economic or civil offences (including past cases, if found guilty), any disciplinary action taken by SEBI or any stock exchange against our Company, Subsidiaries or Directors; and (ix) small scale undertakings or any other creditors to whom our Company owes a sum exceeding ₹ 0.1 million, which is outstanding for more than 30 days and (x) action taken by statutory / regulatory authorities against our Company, Subsidiaries and Directors;.

Further, except as stated below, (a) there are no inquiries, inspections or investigations, initiated or conducted against our Company or the Subsidiaries, under the Companies Act, 2013 or the Companies Act, 1956, in the last five years; (b) no prosecutions have been filed (whether pending or not), fines imposed or compounding of offences for our Company or the Subsidiaries, in the last five years immediately preceding the year of this Draft Red Herring Prospectus; and (c) no material frauds have been committed against our Company in the last five years.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

A. Outstanding litigation

Litigation against our Company

(I) Criminal proceedings

1. C. Ramachandran lodged an FIR (no. 114/2014) dated June 25, 2014 before the Sampangiramanagar police station, Bangalore against our Company and certain employees of our Company for alleged conspiracy in defrauding, cheating and causing loss to him to the tune of ₹ 2.43 million. Our Company and employees filed an application for anticipatory bail before the Court of Fast Track-II, Bengaluru City (the “**Court**”). The Court rejected the application by an order dated July 5, 2014. Our Company and employees filed writ petitions (34683/2014, 38070/2014 and 35057/2014) before the High Court of Karnataka seeking to quash the aforesaid FIR and grant a stay on the investigation, commenced pursuant to the FIR, pending the disposal of the petitions. Through its orders dated August 4, 2014, August 12, 2014 and August 4, 2014 respectively, the High Court of Karnataka has granted an interim stay on further proceedings. The matters are currently pending.
2. Sudheendra (the “**Complainant**”), the owner of Madhwamatrimony.com lodged an FIR (no. 26/2011) dated September 9, 2011 before Cyber Crime Police Station, Bengaluru against our Company and Murugavel Janakiraman, our Director and Promoter for causing loss by allegedly sending multiple emails to the members of the Complainant’s website by illegally using the Complainant’s email id, URL and domain name. It was further alleged that our Company dishonestly represented itself as the Complainant and caused damage to the complainant’s reputation. The FIR also stated that the emails allegedly sent by our Company contained forward links to the Complainant’s website, which when clicked led to pages which did not exist. This resulted in unwanted cyber traffic, denied access to the Complainant’s website and caused loss to the Complainant. During the process of investigation, a search warrant dated October 10, 2011 was issued against our Company, pursuant to which search proceeding was conducted on

November 10, 2011 and a laptop was seized by the investigating officer from our Company's office. Our Company also received several queries from the investigating officer to which our Company has duly replied. Pursuant to the investigation, the investigating officer submitted a final report dated July 3, 2012 before the court of Additional Chief Metropolitan Magistrate, Bengaluru (the "ACMM") stating that there was lack of evidence. Against this, a complaint (c.c. 11519/2013) under section 200 of the Code Criminal Procedure, 1973 was filed by Sudheendra before the ACMM upon which the ACMM ordered that a case be registered against our Company and Murugavel Janakiraman through an order dated July 19, 2013 and summons be issued to our Company and Murugavel Janakiraman. Our Company filed a petition (no. 1855/2015) dated 24 March, 2015 before the High Court of Karnataka seeking to quash the order of the ACMM and all consequential proceedings pursuant to c.c.11519/2013. The High Court of Karnataka vide its order dated March 27, 2015 granted an interim stay on the proceedings. The High Court of Karnataka vide its order dated June 18, 2015 has extended the interim stay until the next date of hearing. The matters are currently pending and the next date of hearing before the ACMM and the High Court of Karnataka is October 21, 2015.

(II) Civil proceedings

Litigation filed by Rajan Desai and Real Soft Inc.

New Jersey Proceedings

- On May 13, 2011, Rajan Desai and Real Soft Inc. (the "**US Plaintiffs**") filed a lawsuit in the Superior Court of New Jersey, Mercer County, Law Division (the "**Superior Court of New Jersey**") (*Rajan Desai et al. v. Infonauts, Inc., et al.*, Case No. L-1311-11) against (a) Infonauts, Inc. ("**Infonauts**"), a corporation which is currently wholly owned by Mr. Murugavel Janakiraman ("**Promoter**") (then a subsidiary of the Company); (b) the board of directors of Infonauts; (c) Consim Info USA, Inc. ("**Consim USA**"), a subsidiary of Matrimony.com Limited (the "**Company**"); (d) the board of directors of Consim Info USA Inc.; (e) 'Bharatmatrimony.com'; and (f) the board of directors of 'Bharatmatrimony.com'.
- The complaint was amended on three occasions to add other parties as defendants and assert additional causes of action. On August 13, 2012, the US Plaintiffs filed their 'First Amended Complaint,' which removed 'Bharatmatrimony.com' and the board of directors of 'Bharatmatrimony.com' and added the Promoter and the Company as defendants. Subsequently, on October 18, 2012, the US Plaintiffs filed a 'Second Amended Complaint,' in which they included certain additional factual allegations. On October 1, 2013, the complaint was further amended ("**Third Amended Complaint**") to include as defendants Yahoo! Inc., Bessemer Venture Partners, Canaan Partners and Mayfield Fund (which were US entities associated with the shareholders of the Company, including a former shareholder, Yahoo! Netherlands BV, which sold its shareholding in the Company on September 28, 2011), the Board of Directors of the Company as well as BM, LLC (a Dubai-based subsidiary of the Company). After the various defendants filed motion to dismiss, the Superior Court of New Jersey issued orders dismissing the US Plaintiffs' claims against Yahoo! Inc., Bessemer Venture Partners, Canaan Partners and Mayfield Fund on March 20, 2014, and against the Board of Directors of the Company and BM, LLC on August 4, 2014. Accordingly, the defendants as of the date of this Draft Red Herring Prospectus are Infonauts, the board of directors of Infonauts, Consim Info USA, Inc. and the board of directors of Consim Info USA, Inc, the Promoter and the Company.
- The US Plaintiffs' claims primarily depend on the alleged breach of the terms and conditions of a term sheet dated March 3, 2001 and signed by Infonauts (with the Promoter as signatory) and Mr. Desai ("**Term Sheet**"). At the time the Term Sheet was signed, the Company did not exist. The Company was subsequently incorporated on July 13, 2001 in Chennai, India. The Term Sheet expressly states that a binding commitment with respect to the transactions (other than confidentiality, expenses and exclusivity) would result only upon execution of definitive agreements, if any, including a separate "Purchase of Equity" agreement. The parties did not enter into any such definitive agreements or "Purchase of Equity" agreement. Infonauts received two checks, for US\$50,000 each, from the US Plaintiffs and repaid US\$102,000 to the US Plaintiffs, which, the US Plaintiffs allege, is less than what they are owed.

- The US Plaintiffs have, *inter alia*, made the following primary allegations and claims in the Third Amended Complaint:
- that the Term Sheet should be treated as a binding agreement, and that the defendants have breached its terms and conditions, specifically:
 - a) the loan extended to Infonauts was not repaid in the amounts and at the time required under the Term Sheet;
 - b) the US Plaintiffs were entitled to receive a 10% equity interest in 'BharatMatrimony.com'; and
 - c) the US Plaintiffs were entitled to additional equity interest in 'Bharatmatrimony.com' in the event 'Bharatmatrimony.com's' monthly revenue or total profit (it is unclear which) was less than US\$75,000 by April 15, 2002. While the US Plaintiffs allege that this revenue or profit target was not met, they have not specified the amount of additional equity interest in 'Bharatmatrimony.com' they are entitled to as a result;
- that, under the Term Sheet, the US Plaintiffs were owed the first opportunity to purchase additional equity in 'Bharatmatrimony.com' at a discounted rate, were required to be notified of any third party proposals to acquire equity in 'Bharatmatrimony.com', and were owed certain information pertaining to 'Bharatmatrimony.com', which conditions were allegedly not fulfilled by the defendants. While the US Plaintiffs allege that this condition was not met, they have not specified the amount of additional equity interest in 'Bharatmatrimony.com' that they are entitled to as a result;
- that, in order to dilute the US Plaintiffs' interest, the ownership of 'Bharatmatrimony.com' was transferred to India and subsequently, certain assets were siphoned away from 'Bharatmatrimony.com' in order to defraud the US Plaintiffs;
- that, to frustrate the US Plaintiffs' ability to enforce their legal rights, Consim USA. was incorporated in New Jersey, and the entire business of Infonauts was transferred to Consim USA;
- that the Company is orchestrating an initial public offering for the purpose of diluting and/or extinguishing the US Plaintiffs' equity interest in 'Bharatmatrimony.com'; and
- that the US Plaintiffs are entitled to equity interests in the "Related Sites", which are related to and derivative of 'Bharatmatrimony.com', such as elitematrimony.com and tamilmatrimony.com.
- Further, the US Plaintiffs have alleged that they are in receipt of emails from the Promoter discussing the possibility of selling their alleged "stake," or equity interest.
- Based on the defendants' alleged violation of the Term Sheet, the US Plaintiffs have asserted causes of action for breach of contract, breach of the implied covenant of good faith and fair dealing, unjust enrichment, conversion, breach of fiduciary duty, breach of New Jersey's Oppressed Minority Shareholder Act, "Avoiding the Corporate Liability Shield/ Alter Ego/Piercing the Corporate Veil," fraudulent and negligent misrepresentation, and civil conspiracy. The US Plaintiffs have sought a full accounting and valuation of their alleged interest in 'Bharatmatrimony.com', specific performance of the Term Sheet awarding plaintiffs all lawful interest in 'Bharatmatrimony.com' and any and all businesses, websites and other income-producing entities that have grown out of 'Bharatmatrimony.com', including but not limited to, the Company, a constructive trust on 'Bharatmatrimony.com' and all associated businesses and websites, including the Company, incidental, compensatory and punitive damages, attorney's fees and other litigation costs. In the event the US Plaintiffs prevail in the litigation, the Superior Court of New Jersey could issue a judgment that they are entitled to cash or equity shares (or both) in the Company in amounts not yet known.

- On December 6, 2013, without submitting to the jurisdiction of the New Jersey court, the Company moved to dismiss the complaint in its entirety, as against it. The Promoter also filed a motion to dismiss on December 6, 2013. The Superior Court of New Jersey denied these motions. The litigation is now in the pre-trial discovery stage following an unsuccessful interlocutory appeal by the Company to the Appellate Division and to the Supreme Court of New Jersey. In the motion to dismiss, the Company had argued that:
- the Promoter and the Company were not parties to the Term Sheet and therefore are not bound by it. The Term Sheet was entered into between Infonauts and one of the US Plaintiffs, and the Company was not even in existence on the date of the Term Sheet;
- there has been no breach of the Term Sheet because the clauses the US Plaintiffs seek to enforce were not binding, as the Term Sheet itself expressly stated. The Term Sheet expressly states that binding commitments with respect to the provisions the US Plaintiffs seek to enforce would arise only in the event the parties to the Term Sheet entered into definitive agreements including a separate “Purchase of Equity” agreement. The parties did not enter into any such definitive agreements or “Purchase of Equity” agreement; and
- even if the terms and conditions of the Term Sheet were enforceable, the Term Sheet was signed more than ten years before the US Plaintiffs filed their lawsuit (which, initially, did not name either the Company or the Promoter as defendants) and therefore the claims of the US Plaintiffs are barred by New Jersey’s statute of limitations, which has a six-year limitation period.
- The Company has also argued that New Jersey courts lack jurisdiction over the Company, which is incorporated and resides in India and, in light of the anti-suit injunctions granted by the Madras High Court, as a matter of comity, the New Jersey court should defer to the Madras High Court proceedings (described below).

On the aforementioned grounds, the Company and the Promoter had sought to be dismissed from this litigation. The Company and the Promoter have additionally argued that the emails relied on by the US Plaintiffs could not, as a matter of law, (1) change the terms of the Term Sheet so as to give the US Plaintiffs an equity interest that, in terms of the Term Sheet, could result only upon the execution of definitive agreements including a “Purchase of Equity” agreement, (2) make the Company liable for a contract that it is not a party to, (3) revive the US Plaintiffs’ stale claims, or (4) provide a basis for the Court to assert personal jurisdiction over the Company.

The Company continues to believe that all of the grounds for dismissal asserted in its motion to dismiss are valid and intends to file for summary judgment in its favour once discovery is completed by all parties.

On June 18, 2015, the US Plaintiffs also filed an offer of judgment with the Superior Court of New Jersey for a monetary judgment in the amount of US\$ 20.00 million which is inclusive of counsel fees and costs. Under New Jersey law, an offer of judgment is a device whereby one party to a lawsuit makes a formal proposal for judgment to be entered in a specified amount. New Jersey law also provides that an offer of judgment is ineffective where the plaintiff seeks relief that is not exclusively monetary in nature. Since the US Plaintiffs are seeking other forms of relief, including specific performance and a constructive trust, the US Plaintiffs’ offer of judgment appears to be ineffective. The Company has not accepted the US Plaintiffs’ offer of judgment.

Chennai Proceedings

On July 25, 2013, the Company filed a civil suit (C.S. No. 526 of 2013) against the US Plaintiffs along with Infonauts, Consim USA, Inc. and the Promoter, as pro forma defendants, before the Madras High Court seeking *inter alia*:

- a permanent injunction against the US Plaintiffs from continuing with legal proceedings against the Company in New Jersey;
- a permanent injunction against the US Plaintiffs from filing or maintaining any other suit or proceedings against the Company at any place other than Chennai; and
- a permanent injunction against the US Plaintiffs from interfering in the Company’s business, including its proposed initial public offering, based on the Term Sheet.

The Company in its plaint filed before the Madras High Court has, *inter alia*, contended that:

- the Company was not a party to the Term Sheet and was not even in existence on the date of the Term Sheet, hence, in terms of Section 19 (d) and (e) of the (Indian) Specific Relief Act, 1963, specific performance of the Term Sheet cannot be enforced against the Company;
- the Term Sheet, cannot be enforced against the Company since its specific performance is barred by law of limitation in India and the US;
- the Term Sheet not being a concluded contract or a binding document, does not stipulate the consequences of breach of any of its terms nor specify either the forum or the law which will govern such proceedings;
- the courts in India have natural jurisdiction to try the matter as the main claim is on the shares of an Indian Company;
- the (Indian) Foreign Exchange Management Act, 1999 (FEMA) and regulations promulgated pursuant to it govern the transfer of shares of an Indian company by a resident to a non- resident. An order of specific performance of the Term Sheet by the New Jersey court could be in violation of the extant FEMA regulations.

On August 6, 2013, the Madras High Court granted the *ex parte* ad-interim injunctions in favor of the Company enjoining the US Plaintiffs from:

- interfering in the Company's business, including its initial public offering based on the Term Sheet, and
- continuing with legal proceedings against the Company in Superior Court of New Jersey.

On November 7, 2013, the Company filed an application before the Madras High Court praying for an extension of the injunction granted to cover its board of directors and officers against any orders of the Superior Court of New Jersey. Pursuant to its order dated November 12, 2013, the Madras High Court extended the injunction (granted under order dated August 6, 2013) and also granted injunction in favour of the Company, restraining the US Plaintiffs from continuing with the legal proceedings before the Superior Court of New Jersey against the Company, its Board of Directors, individual Directors and officers in their representative capacity as such director or officer. The Madras High Court pursuant to its order dated December 10, 2013 made its orders dated November 12, 2013 protecting the Company, its board of directors, individual directors and officers absolute.

The US Plaintiffs filed a counter affidavit and an application before the High Court on March 5, 2014 seeking to set aside the order dated December 10, 2013 granting the anti-suit injunction against them. The Company has challenged the set aside application filed by the US Plaintiffs on the grounds of maintainability. The matter is currently pending before the Madras High Court.

In March 2014, the Company filed a contempt application in C.S. 526 of 2013 against the US Plaintiffs for alleged violation of the order of the Madras High Court dated December 10, 2013, by proceeding with legal proceedings in New Jersey by, *inter alia*, serving the Third Amended Complaint on the Board of Directors of the Company on February 10, 2014, which was received under protest. In April 2014, the US Plaintiffs filed their reply to the contempt petition. The matter is currently pending before the Madras High Court.

Since the US Plaintiffs are primarily seeking award of their alleged interest in the website 'Bharatmatrimony.com' and other related websites, which are owned by the Company, as well as a constructive trust over 'Bharatmatrimony.com' and all associated businesses and websites, including the Company, expenses incurred in defending the litigation against all defendants in the New Jersey proceedings and the Chennai proceedings have been met by the Company.

Other civil proceedings

1. People Interactive (I) Private Limited ("**Complainant**") filed a complaint (UTP no. 10/2006) dated December 7, 2006 before the Monopolies and Restrictive Trade Practices Commission ("**MRTP Commission**") alleging that our Company had made certain statements in a press release which amounted to unfair trade practices within the meaning of Section 36A of the Monopolies and Restrictive Trade Practices Act, 1969. The Complainant sought, *inter alia*, to institute an inquiry in relation to the alleged

unfair trade practices and to pass an order instructing our Company to tender an apology for allegedly making false claims and substantiate the claim that our Company had arranged eight times the number of marriages arranged by the Complainant's website. The MRTP Commission by its order dated April 2, 2007 restrained our Company from making any claims beyond the certification granted to us by the Limca Book of Records. Our Company has filed a civil appeal (no.2142/2007) before the Supreme Court of India seeking to set aside the order dated April 2, 2007 passed by the MRTP Commission.

Subsequently, our Company and the Complainant have executed a joint settlement memo stating, inter alia that our Company may use the certificate granted to us by the Limca Book of Records and to use an appropriate statement on our website and in marketing communications. Under the terms of the settlement memo, the Complainant shall withdraw the complaint filed before the MRTP Commission. Additionally, the parties filed the settlement memo before the Supreme Court and requesting the Supreme Court to dispose of the appeal accordingly. The matter is currently pending.

2. Priscilla Samuel filed a public interest litigation (no. 52/2013) dated January 8, 2013 before the Bombay High Court against our Company, Government of India, State of Maharashtra and others in relation to non-compliance and non-enforcement of the provisions of the Dowry Prohibition Act, 1961 ("**Dowry Prohibition Act**"). It was alleged that our Company and other matrimonial sites, named as respondents in the petition indulged in creating wrongful demands and promoting marriage as a commercial commodity. The petitioner sought from the court, *inter alia*, a writ of mandamus directing the government to take adequate action for compliance with the Dowry Prohibition Act and restraining our Company and other matrimonial sites from violating the Dowry Prohibition Act by way of advertisement with direct or indirect consideration or otherwise. The matter is currently pending and the next date of hearing is September 7, 2015.
3. Aalok Sharma filed a civil suit (no. 1465/2009) dated November 5, 2009 before the Senior Civil Judge, South District, New Delhi seeking a mandatory injunction against our Company, our employees, officials and agents to supply the hard copy of the profile of Shweta Sharma, a customer of our Company. The aforesaid suit was filed pursuant to a notice dated October 24, 2009, reply dated October 29, 2009 by our Company and separate legal proceedings pending before the Family Court, Gurgaon where the marriage of Aalok Sharma with Shweta Sharma was in question. The plaintiff also sought a permanent injunction and an ex parte ad-interim injunction restraining our Company, our employees and agents from tampering with the content of the aforesaid profile. The court of the Additional Senior Civil Judge, Patiala House Courts, New Delhi issued summons for settlement of issues to our Company to appear on January 12, 2010 and directed our Company to produce the required documents. Our Company is unable to trace the current status of this litigation. For further details, see the section titled "*Risk Factors -Certain documents in relation to an allotment of Equity Shares made by us and in relation to certain pending legal proceedings involving our Company are not traceable*" on page 35.
4. A notice dated October 25, 2010 was issued to our Company on behalf of Umamaheshwari claiming ownership of the premises leased by our Company at Tirupur. Through the notice, Umamaheshwari has claimed that the deposit of the rent of the aforesaid premises be made with the rent controller instead of payment of the rent to Mr. Mysamy (the alleged owner) or to vacate the premises forthwith. Our Company replied to the notice through a letter dated November 13, 2010 denying the allegations and averments made in the notice. Subsequently, Umamaheshwari filed a suit (no. 95/2012) before the District Judge, Tirupur against the alleged owners of the premises, our Company and other tenants of the premises seeking, *inter alia*, the appointment of an advocate commissioner to divide the premises and grant a permanent injunction restraining our Company and other defendants from paying rent to anyone other than the plaintiff. Pursuant to an application dated November 25, 2010, Umamaheshwari has sought to implead our Company as a respondent in EA 249/2006 in relation to such premises. The matters are currently pending and the next date of hearing is August 20, 2015.
5. K. Vinayagamurthy and D. Sasikumar filed a civil suit (no. 223/2009) dated December 16, 2009 before the Subordinate Judge, Vellore against our Company, represented by Murugavel Janakiraman, our Managing Director and Promoter, claiming damages and compensation of ₹ 0.46 million for allegedly unilaterally terminating a franchisee agreement dated March 13, 2006 between the plaintiffs and our Company and

allegedly accepting payments from the plaintiffs for registration of customers even after expiration of the franchisee agreement. The plaintiffs alleged that they had approached our Company to renew the franchisee agreement prior to March 12, 2009 (the date of expiry of the franchisee agreement) and that our Company had assured them that the franchisee agreement was perpetual in nature and periodic renewal was not necessary. A written statement dated August 26, 2011 was filed by our Company in response to the plaint denying the allegations and averments made therein. The matter is currently pending and the next date of hearing is October 29, 2015.

6. R Arun filed a suit (no. 70/2015) dated March 2, 2015 against his wife Ritika Sampath Kumar, our Company and other companies providing platforms for matrimonial match-ups (collectively referred to as “**Other Defendants**”) before the Principal Judge Family Court, Bangalore (“**Family Court**”). The plaintiff sought a temporary injunction as well as a permanent injunction against Ritika Sampath Kumar from publishing herself as an eligible bride on the websites of our Company and Other Defendants as well as restraining our Company and Other Defendants from publishing her as an eligible bride on their respective websites. Through an order dated March 2, 2015, the Family Court has granted an ad-interim injunction restraining our Company and the Other Defendants from publishing the name and photos of Ritika Sampath Kumar as an eligible bride on their websites. The matter is currently pending.

(III) Tax matters

Service tax proceedings

1. A show cause notice (no. 57/2008) dated March 14, 2008 was issued to our Company by the Joint Commissioner, Department of Revenue, Chennai (“**JC**”) for non-payment of service tax aggregating to ₹ 1.29 million for the period from January 2006 to March 2007 on the amounts received from the franchisees of our Company. The JC passed an assessment order dated June 23, 2008 demanding payment of ₹ 1.29 million as service tax and education cess, along with interest and penalty as applicable. Our Company filed an appeal against the order dated June 23, 2008 before the Commissioner of Central Excise (Appeals), Chennai (“**CCE**”). The CCE passed an order dated April 30, 2010 rejecting the appeal and upholding the order of the JC. The Company filed an appeal, dated August 14, 2010, before the Customs, Excise and Service Tax Appellate Tribunal, Chennai (“**CESTAT**”). The CESTAT passed a miscellaneous order dated July 10, 2013 pursuant to which it was found *prima facie* that tax was payable on the amounts received under the franchise agreements and directed our Company to deposit an amount of ₹ 0.5 million within a period of six weeks. Our Company has deposited this amount on August 16, 2013. The appeal is currently pending.
2. A show cause notice (no. 100/2011) dated April 4, 2011 was issued to our Company by the Commissioner of Service Tax, Chennai in relation to non-payment of service tax of ₹ 27.63 million for services provided by certain overseas service providers to our Company for the period from 2007-08 to 2009-10 (until September 2009). Our Company paid the demand of service tax of ₹ 27.63 million along with interest. The Commissioner of Service Tax, Chennai passed an order-in-original dated January 23, 2013, *inter alia*, confirming the demand ₹ 27.63 million towards service tax along with interest and imposed a penalty of ₹ 6.91 million. Our Company has deposited the said penalty under protest. Our Company preferred an appeal, dated April 17, 2013, before the Customs, Excise and Service Tax Appellate Tribunal, Chennai. The matter is currently pending.

Notices

3. The Superintendent of Service Tax, Chennai (“**SST**”) issued a notice (C.No.III/10/878/2011-IA-Group-III) dated March 6, 2012 to our Company disallowing the service tax exemption claimed by our Company for the services provided under the brands Elite Matrimony and Bharat Matrimony Privilege. The Company replied on April 12, 2012 disputing the tax payable on the said services on the ground that such services do not fall under any category of taxable services.

The SST issued another notice (C.No.III/10/878/2011-IA-Group-III), dated May 16, 2012 demanding service tax on the services provided under the aforementioned brands as they can be classified as ‘computer

network service’ and ‘mailing list compilation and mailing’. Our Company replied on June 28, 2012 providing the details of revenue against which exemption was claimed. The SST issued a notice (C.No.III/10/878/2011-IA-Group-III) dated May 17, 2013, directing our Company to pay service tax on the exempted service value for the additional period of October, 2008 to June, 2012 stating that the aforesaid services were not exempted as claimed by our Company. Our Company replied to the notice dated May 17, 2013 through its letter dated May 30, 2013 stating that the services provided under the brands Elite Matrimony, Bharat Matrimony Privilege as well as Bharat Matrimony Centre, Google Adsense and other exempted services were not taxable until June 30, 2012 and cannot be classified as ‘computer network service’ and ‘mailing list compilation and mailing.’ Further, taxes can only be paid under ‘other taxable services’ category which came into effect from July 1, 2012. Our Company stated that it had been paying service tax for Elite Matrimony and Privilege Matrimony under such category with effect from July 1, 2012. Our Company also stated that we do not currently have any Bharat Matrimony Centres and were not receiving any income of such nature. Our Company also contended that the Google Adsense programme continued to be exempted even under the service tax regime effective from July 1, 2012.

Our Company received two notices dated February 11, 2015 from the Assistant Commissioner, Service Tax Audit Commissionerate seeking details in relation to, *inter alia*, non-payment of service tax on Privilege/ Assisted and Elite Matrimony services from the period July 2012 onwards. Subsequently, the Commissioner of Service Tax-III has issued a show cause notice dated March 12, 2015 calling upon our Company to show cause as to why an amount of ₹ 33.37 million towards service tax payable on the income received from Assisted Matrimonial services, Privilege services and Elite Matrimonial services during December 2009 to June 2012; (ii) ₹ 1.37 million towards service tax payable on the income received from franchisee services during October 2008 to June 2012; and (iii) ₹ 0.27 million towards service tax payable on income received from rendering Google Adsense services during October 2008 to June 2012, together with interest and penalty should not be demanded from our Company. Our company has replied to the show-cause notice dated March 12, 2015 through its letter dated May 12, 2015. The matter is currently pending.

4. A notice (C.No.IV/16/193/2010-GR.II) dated January 20, 2014 was issued to our Company by the Superintendent Gr-II, Division – IV, Service Tax Commissionerate (“**Superintendent**”) seeking details in relation to payment of service tax on income/ commission/ rent received from Google India Private Limited and other companies for exhibiting advertisements on our Company’s website from July 2012 to September, 2013. Our Company replied to the notice on January 31, 2014 providing an aggregate of ₹ 0.62 million as the income received from Google India Private Limited and stating that our Company was not remitting any service tax on such amounts.

Our Company received a further notice dated February 5, 2014, from the Superintendent directing our Company to pay service tax amounting to ₹ 0.08 million on the income received from Google India Private Limited for the period from July, 2012 to September, 2013. Additionally, our Company received reminder notices dated May 5, 2014 and August 6, 2014 for the payment of service tax. Our Company replied through its letter dated September 29, 2014 stating that as the services are being provided to Google Inc., USA and not to Google India Private Limited, no tax was payable since the place of provision of service was in a non-taxable territory. Further, our Company had ceased provision of advertisement space to Google with effect from April 1 2013. The matter is currently pending.

Income Tax Proceedings

5. Our Company’s income was assessed under section 143(3) of the Income Tax Act for the AY 2007-08 by the Assistant Commissioner of Income Tax, Chennai (“**ACIT**”). Pursuant to the assessment, an order dated December 31, 2009 was passed by the ACIT wherein, *inter alia*, expenditure relatable to investment in tax free territory to the tune of ₹ 0.5 million and towards dividend on securities under Section 94(7) of the Income Tax Act to the tune of ₹ 0.14 million were disallowed. Subsequently, our Company received a demand notice dated December 31, 2009 from ACIT stating a refund of ₹ 1.19 million was due to our Company.

Further, our Company received a notice dated March 28, 2012 under section 148 of the Income Tax Act from the ACIT in relation to reassessment for AY 2007-08. Consequently, a reassessment order dated March 11, 2013 was passed by the ACIT wherein it was stated that our Company had changed its accounting policy during the AY 2007-08 which resulted in reduced revenue for our Company to the extent of ₹ 26.81 million. Further the refund of ₹ 1.19 million was adjusted against the demand for AY 2008-09 through the reassessment order and total demand payable was nil.

On April 15, 2013, our Company preferred an appeal before the Commissioner of Income Tax (Appeals), Chennai (“CIT”) on grounds, *inter alia*, that the assessing officer erred in treating advance subscription fee received by our Company during FY 2006-07 for services to be provided during FY 2007-08 as income for FY 2006-07. The matter is currently pending.

6. The ACIT passed an assessment order dated December 31, 2010, disallowing certain deductions, *inter alia*, expenditure incurred on webhosting and marketing, claimed by our Company for AY 2008-09 aggregating to ₹ 64.84 million and assessed the tax payable as ₹ 0.56 million. Subsequently, our Company received a demand notice dated December 31, 2010 stating that a sum of nil was payable by our Company. Our Company preferred an appeal dated February 17, 2011 before the CIT against the assessment order. The CIT passed an order, dated June 25, 2014, partly allowing the appeal and *inter alia*, setting aside the assessment order with respect to disallowance of ₹ 61.55 million for expenses towards marketing and webhosting. The DCIT has filed an appeal dated June 25, 2014 before the Income Tax Appellate Tribunal, Chennai against the order of the CIT. Based on the directions of the CIT, the DCIT passed a revised assessment order, dated February 26, 2015 and issued a demand notice stating that a sum of nil was payable by our Company. The matter is currently pending and the next date of hearing is September 23, 2015.
7. The ACIT issued a notice dated January 21, 2013 to our Company for AY 2009-10 for production of certain accounts and documents in connection with the assessment for AY 2009-10. Subsequently, the ACIT passed an assessment order dated March 30, 2013 disallowing the aforesaid deductions claimed aggregating to ₹ 42.50 million and computing a refund of ₹ 2.15 million. Our Company preferred an appeal dated April 30, 2013 before the CIT against the assessment order on the grounds that, *inter alia*, the income was not chargeable to tax in India. The CIT has passed an order dated February 18, 2015 partly allowing the appeal by setting aside the disallowance of webhosting expenses amounting to ₹ 41.75 million. The ACIT has filed an appeal dated June 18, 2015 before the Income Tax Appellate Tribunal, Chennai against the order of the CIT dated February 18, 2015. The matter is currently pending and the next date of hearing is September 9, 2015.
8. The ACIT issued a notice dated August 25, 2011 to our Company for AY 2010-11 directing us to furnish certain information in relation to the return filed by us. An assessment order dated March 24, 2014 was passed by the Deputy Commissioner of Income Tax, Chennai (“DCIT”) disallowing a total amount of ₹ 96.90 million claimed as income received in advance by our Company and assessed the aforesaid amount as income for AY 2010-11. Our Company filed an appeal before the CIT on April 25, 2014 against the assessment order on grounds, *inter alia*, revenue received in respect of subscription fees is to be considered as income which did not accrue to our Company in AY 2010-11 and would be assessed for tax in the relevant year. By an order dated February 20, 2015, the CIT has directed the assessing officer to re-assess the case for compliance with deduction of tax at source. The ACIT has issued notices dated July 13, 2015 directing our Company to appear and produce certain documents in relation to assessment for AY 2010-11 regarding the webhosting charges of ₹ 32.25 million for which payments were made outside India. Our company has furnished this information to the ACIT. The matter is currently pending.
9. An intimation dated January 28, 2012 was issued by the Assistant Commissioner of Income Tax, Bangalore under section 143(1) of the Income Tax Act for a refund of ₹ 2.14 million in favour of our Company against the return filed for AY 2011-12, adjusting a demand of ₹ 0.12 million outstanding for AY 2004-05. Subsequently, our Company received a notice dated August 3, 2012 issued by ACIT directing us to submit documents in relation to returns filed for AY 2011-12. Our Company filed an application dated February 24, 2014 seeking payment of ₹ 0.13 million which was the balance of the refund stating that the above outstanding amount for AY 2004-2005 was already paid by our Company. The DCIT by its order dated March 18, 2015 disallowing an amount of ₹143.55 million, on the grounds that the income shown as

subscription received in advance by our Company had already been recognised in AY2010-11 and could not accordingly be treated as income received in advance, failure to deduct TDS on hire charges and addition of average value of investment to the total income. Our Company has filed an appeal before the CIT(A) against the order of the DCIT dated March 18, 2015. The matter is currently pending.

10. Our Company received a notice dated January 14, 2015 from the DCIT to appear and produce accounts, documents and any other evidence in relation to the return filed by our Company for AY 2011-12. Our Company replied to the notice through its letters dated January 30, 2015, February 9, 2015 and February 23, 2015 furnishing the details sought. The DCIT passed an assessment order dated March 18, 2015 disallowing certain deductions aggregating to ₹ 143.55 million and assessed the tax payable as nil and computed a refund of ₹ 2.23 million as payable to our Company. Subsequently, the DCIT issued a notice dated March 18, 2015 to show cause as to why an order of penalty should not be imposed on our Company for furnishing inaccurate particulars of income in relation to AY 2011-12. Our Company through a letter dated April 16, 2015, replied to the DCIT's notice submitting that there had been no concealment or furnishing of inaccurate particulars of income. Our Company has also filed an appeal before the CIT (A) against the order of the DCIT dated March 18, 2015. The matter is currently pending.

Notices

11. The ACIT and DCIT issued notices dated August 19, 2013 and June 13, 2014, respectively, directing our Company to appear and produce certain documents in relation to assessment for AY 2012-13. Our Company through a letter dated June 26, 2014, replied to the DCIT's notice furnishing the details required. The matter is currently pending. The ACIT issued an additional notice dated July 17, 2015 directing our Company to appear and produce certain documents and provide certain clarifications in relation to assessment for AY 2012-13. Our Company through a letter dated July 31, 2015, replied to the ACIT's notice furnishing the details required.
12. The DCIT issued a notice dated September 5, 2014 to our Company to appear and produce accounts, documents and any other evidence in relation to the return filed by our Company for AY 2013-14. Our Company replied to the notice through a letter dated September 16, 2014 providing the documents sought. The matter is currently pending.
13. The DCIT (Transfer Pricing Officer) issued a notice dated December 24, 2014 for furnishing certain details and documents including, inter alia, a description of the ownership structure of our Company with details of shares or other ownership interest held by other enterprises and the ledger account of foreign exchange fluctuation in relation to compliance with transfer pricing laws for AY 2012-13. Our Company replied to the notice through its letter dated January 23, 2015. The matter is currently pending.
14. Our Company has received intimations under section 200A of the Income Tax Act, 1961 in relation to mismatch in the TDS filings made by our Company for the financial years 2007-08 to 2013-14. Our Company has been directed to pay an amount aggregating to ₹ 8.82 million for the mismatch in the tax deducted at source.

(IV) Labour related matters

1. Mahesh, son of Madhavrao Shriramwar, an employee of our Company filed a complaint (ULP no. 19/2013) against Murugavel Janakiraman, our Managing Director and Promoter and the Maharashtra state head of human resources of our Company before the Labour Court, Nanded in relation to alleged arbitrary discontinuation of the services of the complainant. The complainant sought from the court, *inter alia*, directions to quash the letter accepting the complainant's resignation and reinstate the complainant in service. Further, our Company, through a notice (Misc. ULP (Delay) no. 20/2013) dated October 1, 2013 issued by the court, was asked to furnish reasons for not granting interim relief sought by the complainant. The matter is currently pending and the next date of hearing is August 24, 2015.
2. Girija Menon, an ex-employee of our Company lodged a complaint dated November 25, 2009 before the District Labour Officer, Palakkad against our Company alleging that she was forced to tender her

resignation and was not paid her entitlement of ₹ 0.01 million towards salary dues. Our Company was issued a notice (D.5015/2009) dated December 19, 2009 directing it to file remarks within 15 days. Our Company has paid the amount claimed towards settlement of dues. The matter is currently pending.

3. Jyoti Barik, an ex-employee of our Company lodged a complaint dated April 8, 2013 before the District Labour Officer, Bhubaneswar against our Company alleging that she was not given details of deductions and compensation towards overtime and denied leave and was asked to tender her resignation. Further, it was alleged that her entitlement towards salary dues was not paid. Our Company was issued a notice (2279/DLO) dated April 15, 2013 directing it to file remarks within 7 days and attend an enquiry on April 30, 2013. Our Company has paid Jyoti Barik an amount of ₹ 0.008 million towards settlement of dues. The matter is currently pending.
4. Hindustan Engineering and General Mazdoor Union, a trade union, on behalf of Sarika Singh, an ex-employee of our Company lodged a complaint dated August 3, 2013 before the Assistant Labour Commissioner, New Delhi against our Company alleging that she was unreasonably dismissed from her job and denied her entitlement towards salary dues. The trade union through the complaint, has requested the labour department to take necessary action for payment of salary dues and reinstatement of Sarika Singh with indemnity and unemployment payment. Our Company has paid Sarika Singh an amount of ₹ 0.008 million towards settlement of dues.
5. Our Company and in certain instances, our Company through Murugavel Janakiraman or Ravi Janakiraman has received 77 inspection notices, reports and remarks from labour authorities and shops and establishment authorities directing us to submit compliance reports owing to certain non-compliances under certain labour legislations including, *inter alia*, not displaying notices of weekly closure and holidays under various shops and establishments legislations, violation of certain provisions of the Minimum Wages Act, 1948, Maternity Benefits Act, 1961 and Payment of Gratuity Act, 1972 and not maintaining the muster rolls, service record, attendance leave and wages register observed during inspections. Pursuant to the above, our Company has submitted compliance reports for 70 labour notices stating that the compliances required under the report have been substantially made and for 7 labour notices, we are in the process of submitting the required compliance report.
6. The Labour Enforcement Officer (“**Complainant**”) filed a complaint (no. 10774/12) dated December 23, 2011 against our Company, Murugavel Janakiraman as the then Chief Executive Officer of our Company and another before the Chief Judicial Magistrate, Lucknow for violation of certain provisions of the Uttar Pradesh Shops and Establishments Act, 1962 observed at the time of inspection on December 23, 2011. The matter is currently pending and the next date of hearing is October 24, 2015.
7. The Labour Enforcement Officer filed a complaint (no. 5573/12) against Murugavel Janakiraman in his capacity as the then Chief Executive Officer of our Company and others before the Chief Judicial Magistrate, Lucknow for violation of certain provisions of the Payment of Wages Act, 1936 as observed at the time of inspection on December 23, 2011.

(V) Consumer complaints

There are 21 consumer complaints filed by various parties before relevant forums including consumer dispute resolution forums of various states, State Human Rights Commission of Kerala, Assistant Controller of Legal Metrology and Consumer Affairs, in relation to, among other things, alleged deficiency in services provided by our Company, misleading and false representation by our Company. Some of these complaints have been filed against the Company through Murugavel Janakiraman. The aggregate amount involved in the proceedings is ₹ 8,839,252 along with interest. In certain of these proceedings, the relevant forum has passed orders directing our Company to pay the complainants. Our Company is yet to comply with these orders of payment to the respective complainants. These proceedings are currently pending in various stages before the relevant forums across India.

Litigation initiated by our Company

(I) Criminal complaints

1. Our Company has filed a criminal complaint dated April 4, 2015 against Nasim Banu, an employee of our Company, for theft of approximately ₹ 0.08 million from two of our employees from within our office premises and for misappropriating funds from the personal bank account of our Managing Director/ Promoter. The police station at Mylapore has registered an FIR dated July 2, 2015 (no.1862/2015) in this regard. Additionally, Nasim Banu sent a resignation letter dated March 26, 2015 to our Company which has not been accepted by our Company. The matter is currently pending.

Nasim Banu has sent a legal notice dated May 18, 2015 to our Managing Director/ Promoter and his wife, Deepa Murugavel (both Directors in our Company) and to the central and state level human rights commissions, women's commissions and minorities commissions, alleging, *inter alia*, a false complaint of fraud and misappropriation had been made against her by our Promoter, Deepa Murugavel and other officials of our Company and that our Company's employees harassed her to confess to the aforementioned theft and that our Company does not have a complaint mechanism for sexual harassment in place. Our Managing Director/ Promoter and his wife have replied to this notice through a letter dated July 4, 2015 denying all of these allegations.

2. For details of another criminal complaint filed by our Company, see the sub-section titled “- *Litigation involving the Company - Litigation initiated by the Company - Civil Proceedings*” on page 357.

(II) Civil proceedings

Intellectual property rights related matters

1. Our Company, through its Managing Director and Promoter, Murugavel Janakiraman, filed a suit (C.S no. 832/2009) before the Madras High Court against Google India Private Limited (“**Google India**”), People Interactive Private Limited, Jeevansathi Internet Services Private Limited and Times Business Solutions Limited (“**Other Defendants**”) in relation to alleged inducement and diversion caused by Google India by showing links to the webpages of the Other Defendants in the sponsored links section of Google India's search services. Our Company has further alleged that Google India has been instrumental in inducing the passing off of our Company's services by Other Defendants. Our Company has sought for a permanent injunction restraining Google India and the Other Defendants from infringing, directly or indirectly, upon the trademarks and services registered and provided by it and has demanded ₹1.01 million as damages. Our Company also filed a common affidavit, dated September 16, 2009 (O.A no. 977 and 978), before the Madras High Court seeking a temporary, ad-interim and interim injunction against the defendants, restraining them from passing off our Company's services and causing harm to its business. The relief of interim injunction was granted to our Company through an order, dated September 17, 2009. However, through an order dated October 9, 2009, the Madras High Court vacated the aforementioned order and directed Google India to adhere to its present business policy to ensure that Other Defendants do not use our Company's trademarks in their ad words.

Meanwhile, our Company had filed another application dated October 7, 2009, before the Madras High Court seeking to make absolute the ad-interim injunction granted on September 17, 2009. The Madras High Court passed an order on September 30, 2010, dismissing the applications for interim injunction. However, the court reiterated its direction to Google India to adhere to its policy to ensure that Other Defendants do not pass over our Company's adwords and services.

Subsequently, our Company preferred an appeal (O.S.A. nos. 406 and 407) against the order dated September 30, 2010 before the Madras High Court (Appellate Jurisdiction). On September 10, 2012, the Madras High Court (Appellate Jurisdiction) dismissed the appeals and the application for interim injunction, thereby upholding the order, dated September 30, 2010, till the disposal of the case on merit.

Our Company preferred a special leave petition (SLP no. 30064-30065) on September 27, 2012 against the order dated September 10, 2012 seeking, among other things, a stay on the order dated September 10, 2012 and grant of an interim injunction restraining Google India and the Other Defendants from passing off its services and infringing upon its trademarks. In the meantime, Other Defendants, through an interim order dated October 19, 2012, were restrained from displaying their names in the website of the Company.

Google India and Google Inc. also filed a special leave petition (SLP no. 32134-32135) on October 15, 2012 challenging the order dated September 10, 2012 of the Madras High Court on findings of the Madras High Court *inter alia* equating Google India and Google Inc despite them being separate legal entities. The matter is currently pending and the next date of hearing is August 18, 2015.

2. Our Company filed a suit (no. 190/2014) dated December 26, 2013, against Sai Enterprises before the Court of Civil Judge, Thane in relation to alleged violation of a franchise agreement dated February 15, 2008 signed with the defendant and infringement of our Company's trademarks as well as making fraudulent representations to the public with *mala fide* intentions for illegal monetary gain. Our Company has sought for damages of ₹ 1.00 million with interest thereon at 18% per annum, a permanent order of injunction as well as an interim injunction restraining the defendant from infringing upon its trademarks and from misleading its customers. By an order dated April 30, 2014, the Court of Civil Judge, Thane has granted an interim injunction restraining the defendant from using the website, signboard or trademarks of the plaintiff as a franchisee of the plaintiff till further date. We have filed a contempt petition and an application for disclosure of all customers listed on the defendant's website. The matter is currently pending and the next date of hearing is September 11, 2015.
3. Our Company filed a civil suit (C.S. 99/2008) and an application (O.A 121-123/2008) dated January, 2008 before the Madras High Court against Bharatmatrimony.net, through Vinu Mohan seeking temporary and permanent injunction restraining the defendant from using letterheads, exhibits or any statutory material containing certain trademarks, including Bharatmatrimony, or infringe upon our Company's trademarks by using them as part of its domain name, trademarks, website, email id or trading style in a visually, phonetically or deceptively similar way. Further, our Company sought temporary injunction against the defendant from passing off its websites as our Company's website pending the disposal of the suit. The Madras High Court, through an order dated February 8, 2008 granted a temporary injunction for a period of three weeks. Subsequently, through an order dated October 1, 2010, the court made the order of injunction absolute and disposed of the application for temporary injunction. Further, the matter was posted for recording ex parte evidence through an order dated November 8, 2010. The matter is currently pending.
4. Our Company filed a plaint (C.S. no. 603/2008) dated June 6, 2008 and an application (O.A no. 689 and 690) dated June 6, 2008 against People Interactive (India) Private Limited before the Madras High Court alleging passing off of 'Matrimony 2.0', a mark conceived by our Company to provide a faster, improved and more user friendly services and infringing upon our intellectual property rights, thereby causing reputational and monetary losses. Our Company sought, *inter alia*, a temporary injunction in the interim and a permanent injunction restraining the defendant from passing off 'Matrimony 2.0' and from infringing upon the intellectual property rights owned by our Company, and a decree awarding the amount of profit made by the defendant by the use of 'Matrimony 2.0' in favour of our Company. People Interactive (India) Private Limited has also filed an application (2916/2008) before the Madras High Court disputing the claims made by our Company and requesting the court to reject the plaint in C.S. no. 603/2008. An affidavit dated August 23, 2008 was filed by the defendant seeking to reject the plaint and denying the allegations made therein. The matter is currently pending.
5. Our Company filed an information (no. 7/2012) dated January 30, 2012 against Google Inc. and Google India Private Limited (together, "**Google**") before the Competition Commission of India ("**CCI**") alleging that Google was abusing of its dominant position in the online search engine markets and manipulating the search results to the advantage of its vertical partners irrespective of such results being popular or relevant to the search. Based on the information provided by our Company, CCI through its order dated April 3, 2012 directed the Directorate General (CCI) ("**DG**") to initiate an investigation and submit a report. By an order dated March 26, 2014, the CCI imposed a fine of ₹ 10 million on Google and directed it to cooperate

with the investigations by furnishing such other information or documents as may be required by the DG during the course of further investigations. The matter is currently pending.

Other civil proceedings

1. Our Company has filed a suit (no. 607/2015) against Tamil Nadu Video and Photographers Association and the Chennai Video and Photographers Association (together the “**Defendants**”) before the Madras High Court in relation to alleged interference and intervention by members of the Defendants’ association with the videography and photography segment of our Company’s business. Our Company has sought, *inter alia*, a permanent injunction against the defendants from interfering with, disturbing or defaming the business of our Company in videography and photography, in any manner. The Madras High Court, by an order dated July 27, 2015 has granted an interim injunction for a period of eight weeks restraining the Defendants from troubling, defaming, or disturbing in any manner the business of videography and photography carried on by our Company. The matter is currently pending.

Our Company has also filed a complaint against members of the Tamil Nadu Video and Photographers Association alleging, *inter alia*, that the members tried to disrupt the work of a photographer registered with Matrimonyphotography.com and staging protests against our Company.

(III) Labour related matters

Pursuant to an inspection report (TN/PF/Inspection/50353/2014) dated August 19, 2014, the Regional Provident Fund Commissioner, Chennai (“**RPFC**”) issued a notice (CHN/TN/50353/CC-3/26/Enf/Regl/2014) dated October 8, 2014 to our Company in relation to alleged non-payment of contribution by our Company on medical allowances, conveyance allowance, statutory bonus, sales incentives, etc. paid to its employees from April, 2012 to May, 2014. Our Company replied to the notice stating that the instant issue was sub-judice before the Madras High Court and in appeals before the Supreme Court. Our Company also stated that we had filed a writ petition (no. 28969/2014) before the Madras High Court wherein our Company sought an injunction restraining the RPFC from demanding contribution under the Employees Provident Fund Act (“**EPF Act**”) on medical allowances, conveyance allowance, statutory bonus, sales incentives, etc. paid to its employees till the disposal of civil appeal no. 3965-3966/2013 pending before the Supreme Court of India. Surya Roshni Limited has filed a suit (no. 3965-3966/2013) against the Employee Provident Fund in relation to demand of contribution under the Employees Provident Fund Act on other allowances including medical allowances, conveyance allowance, statutory bonus, sales incentives, etc. paid to employees.

Subsequently, Madras High Court through its order dated January 9, 2015 granted an injunction until further order. Through an order March 17, 2015, the RPFC assessed the amount due in the instant matter to be deposited by our Company to the tune of ₹ 16.29 million, however, in compliance with the order of the Madras High Court, the recovery actions are kept in abeyance till the final disposal of writ petition no. 28969 of 2014. Our Company has filed an appeal dated May 5, 2015 against the order dated March 17, 2015 before Employees’ Provident Fund Appellate Tribunal. The matter is currently pending and the next date of hearing is October 15, 2015.

B. Past penalties imposed on our Company

Except as disclosed in this section, there are no past penalties imposed on our Company:

1. A summons dated November 20, 2014 was issued by the office of Metropolitan Magistrate, Mumbai to Nikhil Nirvan Khattau, George Zacharias and Murugavel Janakiraman, our Directors and Kilaiyur Chandrashekar, Alok Mittal, ex-directors of our Company seeking reasons for not maintaining register of employment and leave by our Company as mandated under Mumbai Shops and Establishments Act, 1948. A penalty of ₹ 0.02 million was imposed on our Company which was duly paid on December 4, 2014.

2. Our Company had received a notice dated May 26, 2014 imposing a penalty of ₹ 0.02 million on our Company for delay in payment of contribution to the employees' provident fund scheme, as required under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 which was duly paid on August 21, 2014.
3. Our Company and Murugavel Janakiraman had received two notices dated October 25, 2013 imposing an interest of ₹ 0.002 million for delay in payment of contribution as required under the Employees' State Insurance Act, 1948 which was duly paid on January 9, 2014.
4. Our Company has in certain instances, in the past paid penalties of ₹ 0.01 million towards penalties and late filing of service tax return, in accordance with the Finance Act, 1994, as amended.
5. Pursuant to an order dated July 2, 2015, our Company has paid ₹ 100 towards compounding of offences under certain labour legislations to the Legal Metrology Officer.
6. Pursuant to an order dated July 19, 2013 issued by CESTAT, our Company has paid penalty of ₹ 500 for failure to make an application for registration under section 69 of the Finance Act, 1994.

C. Pending Notices against our Company

Except as disclosed below, there are no pending notices against our Company:

1. Our Company has received a notice dated July 11, 2015 from Shefali Dey, the lessor of the office space leased by us in Kolkata seeking payment of (i) ₹ 0.65 million towards re-imbursement of municipal taxes and (ii) increase in rent for the period July 2014 to May 2015.
2. The Chennai Metropolitan Development Authority, Chennai-8 ("CMDA") has issued a notice to M/s True Value Home Private Limited and another (the lessors of our Registered Office) dated July 21, 2011 stating that certain sections of TVH Belicia Towers (including our Registered Office) has been constructed in deviation to the sanctioned plan. The notice also calls upon the TVH True Value Home Private Limited to discontinue the usage of the area excessively built and restore the building as per the sanctioned plan within 30 days of the notice, failing which CMDA would lock and seal these portions of the building. We have not received any further communication in this regard.

D. Material developments since the last balance sheet date

Other than as disclosed in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 323, in the opinion of the Board, there has not arisen any material development since the date of the last restated financial information included in this Draft Red Herring Prospectus.

E. Outstanding dues to small scale undertaking(s) and creditors

Except as disclosed below, as on June 30, 2015, there are no outstanding dues above ₹ 1.00 million to any creditors by our Company:

Name of Creditor	Amount due (in ₹)
Google India Private Limited	13,337,020
CitiXsys Software India Private Limited	2,089,395

As on June 30, 2015, an amount aggregating to ₹ 31,973,184 is outstanding and due to 361 small scale undertakings and creditors by our Company. For further details, please see <http://matrimony.com/investors.php>.

Information provided on the website of our Company, is not a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.matrimony.com, would be doing so at their own risk.

F. Defaults including non-payment of statutory dues, over-dues to banks or financial institutions

Except as disclosed in this section, there are no defaults including non-payment of statutory dues, over-dues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, Promoter and Group Entities and defaults in creation of full security as per the terms of issue or other liabilities.

G. Compounding of offences

Except as stated below, there have been no instances of compounding of offences by our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus:

Our Company delayed in some of our reporting obligations in respect of issuance of equity shares and compulsorily convertible preference shares to non-resident shareholders under the FEMA Regulations. In particular, (i) we delayed in filing details of foreign inward remittance received by us in respect of inward remittance received as share application money from, and the allotment of compulsorily convertible preference shares and equity shares to certain non-resident shareholders on January 25, 2008 and December 30, 2014, respectively; and (ii) we delayed in filing Form FC-GPR with the RBI in respect of compulsorily convertible preference shares and equity shares allotted by us to certain non-resident shareholders on January 25, 2008 and January 10, 2012. We have filed an application on May 27, 2015 with the RBI for compounding of these offences pursuant to contravention of the FEMA Regulations. This application is currently pending.

II. Litigation involving the Directors of our Company

A. Outstanding litigation against our Directors

Except as stated in sub-section titled “*Outstanding Litigation - Litigation against our Company*”, beginning on page 346 and as stated below, there are no outstanding litigation involving our Directors):

1. CavinKare Private Limited (“**CavinKare**”) and Peegee Pharma entered into a Co-existence Agreement dated May 23, 2008 in relation to the use of the mark, ‘Karthika’. CavinKare filed a suit (no. 204/2012) against Panchaksharam Gurumoorthy, the proprietor of Peegee Pharma seeking specific performance of the terms of the Co-existence Agreement and a permanent injunction restraining Peegee Pharma from alleging illegal use of the mark by CavinKare. The Madras High Court granted an interim injunction restraining Panchaksharam Gurumoorthy from unauthorized use of the mark. Subsequently, Panchaksharam Gurumoorthy filed a cross suit (no. 467/2012) against Chinni Krishnan Ranganathan, Chairman and Managing Director of CavinKare and others before the Madras High Court in relation to alleging infringement of the trademark ‘Kartika’ by CavinKare. The matters are currently pending.
2. Marico Limited and its directors (including Nikhil Nirvan Khattau) are involved in an Income Tax “Block Prosecution” before the Additional Chief Metropolitan Magistrate’s Court, Delhi. The matter is currently pending.
3. There are about 59 prosecution proceedings against Marico Limited and its directors (including Nikhil Nirvan Khattau) before relevant forums, in relation to, allegations of violation of provisions of the Prevention of Food Adulteration Act, 1954. The matters are currently pending.

4. For details of a legal notice issued against two of our Directors, see the sub-section titled “- *Litigation involving the Company – Litigation initiated by our Company – Criminal complaints*” on page 357.

B. Outstanding litigation filed by our Directors

Except as stated in sub-section titled “*Outstanding Litigation – Litigation initiated by our Company*” beginning on page 357, there is no pending litigation, including disputed outstanding litigation and material developments/ proceeding filed by our Directors.

C. Past penalties imposed on our Directors

There are no other past penalties imposed on our Directors, except as disclosed in “*Outstanding Litigation - Litigation against our Company - Past penalties imposed on our Company*”, beginning on page 359 and except as disclosed below:

1. Murugavel Janakiraman has paid a penalty of ₹ 300 to the court of Special Judicial Magistrate of IInd Class for Excise, Nellore in relation to STC no. 972/2015 and 973/2015.
2. The Labour Enforcement Officer (“**Complainant**”) had filed a complaint (no. 9347/12) against Murugavel Janakiraman in his capacity as the then Chief Executive Officer of our Company and others before the Chief Judicial Magistrate, Lucknow for violation of certain provisions of Payment of Wages Act, 1936, including not providing payment slips to the employees as observed at the time of inspection on December 23, 2011. The Chief Judicial Magistrate imposed a penalty of ` 0.003 million which was duly paid.

E. Tax proceedings initiated against our Directors

Except as disclosed below, there are no tax proceedings initiated against our Directors:

1. Our Promoter, Murugavel Janakiraman has received a demand for AY 2008-09 in relation to a shortfall in payment of income tax of ₹ 0.007 million. Our Promoter has replied to the notice through a letter dated June 14, 2014 stating that the demand is erroneous.
2. The ACIT has issued a notice dated July 6, 2015 against our Promoter, Murugavel Janakiraman for AY 2014-15 in relation to a shortfall in payment of income tax of ₹ 0.19 million. Murugavel Janakiraman has filed a rectification request on July 21, 2015.

F. Directors on the list of wilful defaulters of RBI

None of our Directors or any entity with which our Directors are or have been associated as director, promoter, partner and/ or proprietor have been declared wilful defaulters by RBI either in the past or present.

III. Litigation involving our Subsidiaries

A. Outstanding litigation against our Subsidiaries

Except as stated in sub-section titled “*Outstanding Litigation - Litigation against our Company*”, beginning on page 346, there are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding, filed against our Subsidiaries except as stated below:

For details of legal proceedings involving Consim Info USA Inc., see the sub-section titled “*Outstanding Litigation – Litigation involving our Company – Outstanding Litigation – Litigation Against our Company – Civil Proceedings - Litigation filed by Rajan Desai and Real Soft Inc.*” on page 347.

Income Tax proceedings – Notices

Community Matrimony Private Limited (“CPML”) has received intimations under section 200A of the Income Tax Act, 1961 in relation to mismatch in the TDS filings made by our Company for the financial years 2010-11 to 2013-14. CPML has been directed to pay an amount aggregating to ₹ 1,520 for the mismatch in the tax deducted at source.

B. Outstanding litigation filed by our Subsidiaries

Except as stated in sub-section titled “*Outstanding Litigation - Litigation initiated by our Company*”, beginning on page 357, there are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Subsidiaries.

C. Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act, 2013 or any previous company law

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law against our Subsidiaries in the last five years, and no prosecution has been filed, or fines imposed, or compounding done by our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956.

IV. Litigation involving our Promoter and Group Entities

Except as stated below, there is no (i) pending litigation in which our Promoters and Group Entities are involved (ii) default to financial institutions or banks by our Promoters and Group Entities; (iii) non-payment of statutory dues and dues towards instrument holders such as debt instrument holders, fixed deposits and arrears on cumulative preference shares by the Promoters and Group Entities; (iv) proceeding initiated for economic offences or civil offences (including the past cases, if found guilty) against the Promoters and Group Entities; (v) disciplinary action taken by SEBI or any recognised stock exchanges against the Promoters and Group Entities; (vi) litigation and default in respect of group companies with which the Promoters were associated in the past but are no longer associated (where they continue to be associated with the litigation); (vi) litigation or defaults or over dues or labour problems or closure faced by the Promoters and Group Entities; (vii) litigation against our Promoters involving violation of statutory regulations or alleging criminal offence; (viii) adverse findings in respect of the persons/entities connected with our Promoters or Group Entities in respect of compliance with securities laws; and (ix) past cases in which penalties were imposed by the concerned authorities and (x) action taken by statutory / regulatory authorities against our Promoter and Group Entities.

Litigation involving our Promoter

A. Outstanding litigation against our Promoter

Except as stated in sub-sections titled “*Litigation involving our Company - Outstanding Litigation - Litigation against our Company*” beginning on page 346 and “*Outstanding litigation against our Directors*” beginning on page 361 and “*Litigation involving our Company – Outstanding Litigation – Litigation Against our Company – Civil Proceedings - Litigation filed by Rajan Desai and Real Soft Inc.*” on page 347, there are no outstanding litigation proceedings involving our Promoter.

For details of a legal notice issued against our Promoter, see the sub-section titled “*Litigation involving the Company – Litigation initiated by our Company – Criminal complaints*” on page 357.

B. Outstanding litigation filed by our Promoter

Except as stated in sub-section titled “*Outstanding Litigation – Litigation initiated by our Company*” beginning on page 357, there is no pending litigation, including disputed outstanding litigation and material developments/ proceeding filed by our Promoter.

C. Past penalties imposed on our Promoter

There are no past penalties imposed on our Promoter, except as disclosed in “*Outstanding Litigation - Past penalties imposed on our Company*”, beginning on page 359 and “*Past penalties imposed on our Directors*” beginning on page 362.

D. Litigation or legal action by the Government of India or any statutory authority in last five years against our Promoter

Except as stated in sub-section titled “*Outstanding Litigation – Litigation against our Company*” and “*Outstanding litigation against our Directors*” beginning on page 346 beginning on page 361, there is no litigation or legal action taken by the Government of India or any statutory authority in the last five years.

E. Tax proceedings initiated against our Promoter

Except as stated in sub-section titled “*Outstanding litigation against our Directors*” beginning on page 361, there are no tax proceedings initiated against our Promoter towards tax liabilities as on the date of filing the Draft Red Herring Prospectus.

F. Criminal proceedings initiated against our Promoter

Except as stated in sub-section titled “*Outstanding Litigation - Litigation against our Company -* ”, beginning on page 346 and “*Outstanding litigation against our Directors*” beginning on page 361, there are no criminal proceedings initiated against our Promoter outstanding as on the date of the Draft Red Herring Prospectus.

G. Civil proceedings initiated against our Promoter

Except as stated in sub-section titled “*Outstanding Litigation - Litigation against our Company -* ”, beginning on page 346 and “*Outstanding litigation against our Directors*” beginning on page 361, there are no civil proceedings initiated against our Promoter outstanding as on the date of the Draft Red Herring Prospectus.

H. Litigation against our Promoter for violation of statutory regulations

Except as stated in sub-section titled “*Outstanding Litigation - Litigation against our Company*”, beginning on page 346 and “*Outstanding litigation against our Directors*” beginning on page 361, there are no pending litigation proceedings initiated against our Promoter for violation of statutory regulations as on the date of filing the Draft Red Herring Prospectus.

Litigation involving Group Entities

A. Outstanding litigation against our Group Entities

Except as disclosed below, there are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding, filed against our Group Entities:

For details of legal proceedings involving Infonauts Inc., see the sub-section titled “*Litigation involving our Company – Outstanding Litigation – Litigation Against our Company – Civil Proceedings - Litigation filed by Rajan Desai and Real Soft Inc.*” on page 347.

B. Outstanding litigation filed by our Group Entities

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceedings filed by our Group Entities except as stated below:

India Property Online Private Limited (“**IPOPL**”) has filed a civil suit (no. 4716/2014) before the City Civil Court, Chennai against Priya Publications and Mr. Nagarajan (Partner, Priya Publications) (the “**Defendants**”) in relation to an alleged breach of a marketing agreement dated March 15, 2013 signed with Priya Publications. IPOPL has sought to recover ₹0.86 million including interest at 12% per annum on the amount recoverable from Priya Publications under the contract from the Defendants and for the Defendants to pay the costs of this suit. The matter is currently pending.

GOVERNMENT AND OTHER APPROVALS

In view of the approvals listed below, our Company can undertake this Offer and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake this Offer or continue our business activities, Unless otherwise stated, these approvals are all valid as of date of this Draft Red Herring Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see the section titled “*Regulations and Policies*” on page 167

A. Approvals relating to the Fresh Issue

1. The Board, pursuant to its resolutions dated July 30, 2015, authorised the Fresh Issue subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary;
2. The shareholders of our Company have, pursuant to their resolutions dated August 5, 2015 under Section 62(1)(c) of the Companies Act, 2013, authorised the Fresh Issue; and
3. In-principle approval from the BSE dated [●].

B. Approvals relating to Offer for Sale

1. Bessemer India Capital Holdings II Ltd. and Draper Investment Company LLC have obtained approval for participation in the Offer for Sale pursuant to resolution of their board of directors dated July 22, 2015 and August 10, 2015 respectively and have provided their consent to offer up to 1,461,006 Equity Shares and 93,394 Equity Shares, respectively. The Hartenbaum Revocable Trust U/A/D 02/03/06 and Indrani Janakiraman has provided consent to offer up 23,369 Equity Shares and 82,834 Equity Shares, respectively in the Offer for Sale pursuant to their letter dated August 13, 2015 and August 8, 2015, respectively.
2. The IPO Committee has taken on record the approval of the Offer for Sale by the Selling Shareholders and has approved this Draft Red Herring Prospectus pursuant to its resolution dated August 18, 2015.

C. Approvals relating to our business and operations

I. General Approvals

1. Initial certificate of incorporation dated July 13, 2001 issued by the Registrar of Companies in the name of “Matrimony Services.com Private Limited”.
2. Fresh certificate of incorporation dated December 15, 2003 issued by the Registrar of Companies, consequent upon change of name of the Company to “Bharatmatrimony.com Private Limited”.
3. Fresh certificate of incorporation dated September 27, 2007 issued by the Registrar of Companies, consequent upon change of name of the Company to “Consim Info Private Limited”.
4. Fresh certificate of incorporation dated August 17, 2012 issued by the Registrar of Companies, consequent upon change of name of the Company to “Matrimony.com Private Limited”.
5. Fresh certificate of incorporation dated January 2, 2015 issued by the Registrar of Companies, consequent upon conversion to a public company and change in name of the Company to “Matrimony.com Limited”.
6. Corporate Identity Number: U63090TN2001PLC047432.
7. Permanent Account Number: AADCM0845M.
8. Tax Deduction Account Number: CHEB05118B.

9. Service tax code: AADCM0845MST001.

III. Business Approvals

The registrations and approvals required to be obtained by our Company in respect of our business in India are:

A. Registrations under the relevant Shops and Establishment Acts

Shops and Establishment Acts are state legislations that seek to govern and regulate the working conditions of workers/ employees employed in shops and commercial establishments within the relevant state. We obtain registration under such relevant state legislation governing shops and commercial establishments, as per the procedures laid down therein from time to time, for the operation of our various branches and retail centres, wherein potential or existing customers can walk in and seek the assistance of retail executives to register with our websites and/or make payment for the relevant matchmaking product or service. As on the date of this Draft Red Herring Prospectus, we have obtained registrations for retail centres in various Indian states, including Tamil Nadu, Kerala, Andhra Pradesh, Telengana, Gujarat, Karnataka, Maharashtra and West Bengal. Additionally, we are in the process of applying for renewals for the following four retail centres in three states:

S no.	Location of retail centre	City	State
1	Gomti Nagar	Lucknow	Uttar Pradesh
2.	SD Road,	Secundrabad	Telengana
3.	Santoshpur	Kolkata	West Bengal
4.	Chandi Mandir	Cuttack	Odisha

B. Intellectual Property related approvals

Trademarks

Our Company has obtained and has applied for registrations in respect of the intellectual property created by our Company during the course of its business. As on the date of this Draft Red Herring Prospectus, we have obtained registrations over numerous trademarks, including for “BHARATMATRIMONY”, “Bharatmatrimony.com”, “Communitymatrimony”, “Tambulya (word)”, “Tambulya from bharatmatrimony (label)” and trademarks in relation to various regional, religious, caste and community based matrimonial websites.

Further, we have made applications for registration of 166 trademarks (in various classes), including “Matrimony.com”, “EliteMatrimony”, “PrivilegeMatrimony”, “matrimony directory”, “Tambulya”, “Tambulya from Bharatmatrimony”, “Bharatmatrimony.com marriages are forever”, “Assisted Matrimony”, “Matrimony Digest” and “till u marry”.

Copyrights

Our Company has obtained a copyright registration on November 29, 2007 for the “Voice Matrimony” computer software work.

Domain name registrations

As on the date of this Draft Red Herring Prospectus, our Company has obtained registration over 648 domains, pertaining to the various online matrimonial services offered by us.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Offer

- Our Board has, pursuant to its resolution dated July 30, 2015 authorised the Fresh Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.
- The shareholders of our Company have authorised the Fresh Issue by a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the EGM held on August 5, 2015 and authorised the Board to take decisions in relation to this Offer.
- Bessemer India Capital Holdings II Ltd. and Draper Investment Company LLC have obtained approval for participation in the Offer for Sale pursuant to resolution of their board of directors dated July 22, 2015 and August 10, 2015 respectively and have provided their consent to offer up to 1,461,006 Equity Shares and 93,394 Equity Shares, respectively. The Hartenbaum Revocable Trust U/A/D 02/03/06 and Indrani Janakiraman has provided consent to offer up 23,369 Equity Shares and 82,834 Equity Shares, respectively in the Offer for Sale pursuant to their letter dated August 13, 2015 and August 8, 2015, respectively.
- Further, the IPO Committee has taken on record the approval of the Offer for Sale by the Selling Shareholders and has approved this Draft Red Herring Prospectus pursuant to its resolution dated August 18, 2015.
- In-principle approval from the BSE dated [●]

Prohibition by RBI

None of our Company, the Selling Shareholders, our Directors, our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter, our Promoter Group, and our Group Entities have been identified as wilful defaulters by the RBI or other authorities.

Prohibition by SEBI or governmental authorities

We confirm that our Company, the Selling Shareholders, Promoter, Promoter Group, Directors or Group Entities or persons in control of our Company have not been prohibited from accessing or operating in the capital markets for any reason or restrained from buying or selling or dealing in securities under any order or direction passed by SEBI or any other authority. Further, SEBI has not initiated any action against the entities associated with the securities market and with which our Directors are associated. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Except as disclosed below with respect to Mr. Nikhil Nirvan Khattau, none of our Directors are associated with the securities market in any manner, including securities market related business:

Name of the entity	Mayfield India II, Limited
SEBI Registration Number of the entity	To be allotted
If registration has elapsed, reasons for non-renewal	NA
Details of any inquiry/investigation conducted by SEBI at any time	NA
Penalty imposed by SEBI (Penalty includes deficiency/warning letter, adjudication proceedings, suspension/cancellation/prohibitory orders)	NA
Outstanding fees payable to SEBI by the entity, if any	NA

Name of the entity	Mayfield XII, Mauritius
SEBI Registration Number of the entity	IN/FVCI/10-11/150
If registration has elapsed, reasons for non-renewal	NA
Details of any inquiry/investigation conducted by SEBI at any time	NA
Penalty imposed by SEBI (Penalty includes deficiency/warning letter, adjudication proceedings, suspension/cancellation/prohibitory orders)	NA
Outstanding fees payable to SEBI by the entity, if any	NA

Eligibility for this Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(2) of the SEBI Regulations, which states as follows:

“An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers.”

We are an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI Regulations and are therefore required to meet the conditions detailed of Regulation 26(2) of the SEBI Regulations.

We are complying with Regulation 26(2) of the SEBI Regulations at least 75% of the Net Offer is proposed to be Allotted to QIBs and in the event we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI Regulations.

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 shall not be less than 1,000; otherwise the entire application money will be refunded, in accordance with the SEBI Regulations. In case of delay, if any, in refund, our Company and Selling Shareholders shall pay interest on the application money at the rate of 15% per annum for the period of delay. Subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, unless such delay has been caused solely by such Selling Shareholder.

This Offer is being made pursuant to Rule 19(2)(b) of the SCRR read with Regulation 41 of the SEBI Regulations for up to [●] Equity Shares aggregating up to ₹ [●] million. Our Company is eligible for the Offer in accordance with Regulation 26(2) of the SEBI Regulations. Further, this Offer is being made through the Book Building Process wherein at least 75% of the Net Offer shall be Allotted to QIBs on a proportionate basis. Our Company in consultation with the Selling Shareholders and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance of Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder 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. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer will 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, such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis. For further details, see section titled “Offer Procedure” beginning on page 393.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI Regulations:

- (a) Our Company, the Selling Shareholders, our Directors, our Promoter, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoter or persons in control are or were associated as directors or promoters or persons in control have not been prohibited or debarred from accessing or operating in the capital markets under any order or direction passed by SEBI;

- (b) Our Company has applied to the BSE for obtaining in-principle listing approval for listing of the Equity Shares and has received the in-principle approvals from the BSE pursuant to its letter dated [●]. For the purposes of this Offer, the [●] shall be the Designated Stock Exchange;
- (c) Our Company along with the Registrar to the Offer has entered into agreements dated January 8, 2015 and November 25, 2014 with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;
- (d) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
- (e) We propose to meet our expenditure towards the objects of the Offer entirely out of the proceeds of the Fresh Issue, and hence, no amount is proposed to be raised through any other means of finance. Accordingly, Clause VII C (1) of Part A of Schedule VIII of the SEBI Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the amount to be raised through the proposed Offer and existing identifiable internal accruals) does not apply. For further details in this regard, see section titled “*Objects of the Offer*” beginning on page 108.

Disclaimer Clause of SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND DEUTSCHE EQUITIES INDIA PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND DEUTSCHE EQUITIES INDIA PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND DEUTSCHE EQUITIES INDIA PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 18, 2015 WHICH READS AS FOLLOWS:

WE, THE BRLMs TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **“WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS (“DRHP”) PERTAINING TO THE SAID OFFER;**

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, 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 ISSUER;

WE CONFIRM THAT:

- (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH 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 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, THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 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 HIS SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES 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 THIS DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS DRAFT RED HERRING PROSPECTUS.
 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2009, WHICH RELATES TO SPECIFIED SECURITIES 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 THIS 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 SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 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 ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH TO THE EXTENT APPLICABLE
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE ISSUER AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT, 2013
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND
 - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 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 ISSUER, 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 SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THIS DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR.
17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS IN ACCORDANCE WITH ACCOUNTING STANDARDS 18 AS CERTIFIED BY KUMAR BAGRI & ASSOCIATES BY WAY OF CERTIFICATE DATED AUGUST 13, 2015.
18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS (IF APPLICABLE). NOT APPLICABLE

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company and the Selling Shareholders from any liabilities under Section 34 and Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to this Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Price information of past issues handled by the Managers

The price information of past issues handled by the BRLMs is as follows:

Kotak Mahindra Capital Company Limited:

1. Price information of past issues handled by Kotak:

Sr. No.	Issue Name	Issue Size (₹ in million)	Issue price ^(a) (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in price on listing date (Closing) vs. Issue Price	Benchmark index on listing date ^(b) (Closing)	Closing price as on 10 th calendar day from listing day	Benchmark index as on 10 th calendar day from listing day ^(b) (Closing)	Closing price as on 20 th calendar day from listing day	Benchmark index as on 20 th calendar day from listing day ^(b) (Closing)	Closing price as on 30 th calendar day from listing day	Benchmark index as on 30 th calendar day from listing day ^(b) (Closing)
1.	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
2.	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
3.	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

⁽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.

2. Summary statement of price information of past issues handled by Kotak:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ in million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30 th calendar day from listing day			No. of IPOs trading at premium as on 30 th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
April 1, 2015 – July 10, 2015	2	7,745.94	-	-	-	-	-	2	-	-	1	-	-	1
2014-15	1	1,736.49	-	-	1	-	-	-	-	-	1	-	-	-
2013-14	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Citigroup Global Markets India Private Limited:

Sr. No.	Issue Name	Issue size ₹ 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 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (closing)
1	Just Dial Ltd. ⁽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, Citi

Notes:

1. The 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 INR 47 per Equity Share was offered to Retail Individual Bidders in the IPO.

Summary statement of price information of past issues handled by Citigroup Global Markets India Private Limited:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
April 1, 2015 – July 15, 2015	1	6,000.00	-	-	1	-	-	-	-	-	1	-	-	-
2014-15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-14	1	9,191.41	-	-	-	-	-	1	-	-	-	-	-	1

Deutsche Equities India Private Limited

Sr. No.	Issue Name	Issue size ₹ 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 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (closing)
1.	Adlabs	3,745.9	180.0	Apri	167.9	191.2	6.25%	28,504.46	176.2	28,7	145.6	27,437.	146.	27,440.1

Sr. No.	Issue Name	Issue size ₹ 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	Benchmar k index on listing date (closing)	Closing price as on 10th calenda r day from listing day	Bench mark index as on 10th calend ar day from listing day (closin g)	Closing price as on 20th calenda r day from listing day	Benchma rk index as on 20th calendar day from listing day (closing)	Closin g price as on 30th calend ar day from listing day	Benchmar k index as on 30th calendar day from listing day (closing)
	Entertainment Limited	4	0	1 06, 2015	5	5			0	99.6 9	5	94	20	4

Source: www.nseindia.com, bseindia.com

1 Excluding any employee/retail discount and anchor investor issue price

2 Benchmark index being the index of the designated stock exchange for the respective transaction (i.e. Sensex in case of Adlabs Entertainment Limited)

Summary statement of price information of past issues handled by Deutsche Equities India Private Limited:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2013- 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2014- 2015	-	=	-	-	-	-	-	-	-	-	-	-	-	-
2015- 2016	1	3,745.90	-	-	-	-	-	1	-	-	1	-	-	-

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, please refer to the websites of the BRLMs, as set forth in the table below:

Sr. No	Name	Website
1.	Kotak Mahindra Capital Company Limited	http://investmentbank.kotak.com/track-record/Disclaimer.html
2.	Citigroup Global Markets India Private Limited	http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
3.	Deutsche Equities India Private Limited	https://www.db.com/india/en/content/deutsche-equities-india.html

Disclaimer from our Company, the Selling Shareholder, our Directors, and the BRLMs

Our Company, the Selling Shareholders, our Directors and the BRLMs accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or in any advertisements or any other material issued by or at our Company's instance. It is clarified that each of the Selling Shareholders is providing information and undertakings in this Draft Red Herring Prospectus only about and in relation to itself and the Equity Shares offered by it under the Offer for Sale and is not responsible or liable for any other statement or information contained in this Draft Red Herring Prospectus including without limitation, any statement made by or in relation to the Company or its business. Anyone placing reliance on any other source of information, including our Company's website, www.matrimony.com, or the websites of any of our Subsidiaries, Promoter, Promoter Group, Group Entities or of any affiliate or associate of our Company, would be doing so at his or her own risk.

Caution

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into amongst the Underwriters, our Company and the Selling Shareholders.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information will be made available for a section of investors in any

manner whatsoever including at road show presentations, in research or sales reports, at Syndicate Bidding Centres or elsewhere.

Neither our Company, nor the Selling Shareholders, nor any member of the Syndicate shall be liable to Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

The BRLMs and their respective affiliates may engage in transactions with, and perform services for, our Company, our Subsidiaries and our Group Entities or affiliates or the Selling Shareholders or their affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and our Group Entities or affiliates or the Selling Shareholders or their respective affiliates, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

This Offer is being made in India to persons resident in India, including Indian national residents in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance and Regulatory Development Authority of India, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs and Eligible NRIs, QFIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Chennai, India only.

This Draft Red Herring Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby 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 and the Selling Shareholders and their respective affiliates from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are being offered and sold in the United States only to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”; for the avoidance of doubt, the term

U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) in transactions exempt from, or not subject to the registration requirements of the Securities Act and outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption form, or in a transaction not subject to, the registration requirements of the Securities Act.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the Registrar of Companies.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at the Securities and Exchange Board of India, SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with Registrar of Companies at the office of the Registrar of Companies:

The Registrar of Companies

Block No.6,B Wing 2nd Floor
Shastri Bhawan 26, Haddows Road
Chennai – 600034
Telephone: +91 44 2827 0071
Facsimile: +91 44 2823 4298

Listing

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the BSE. Initial listing applications will be made to the Stock Exchange for permission to deal in, and for an official quotation of the Equity Shares. The [●] will be the Designated Stock Exchange with which the ‘Basis of Allotment’ will be finalised.

If permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchange, our Company and the Selling Shareholders will forthwith repay, in accordance with applicable law, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest as prescribed under applicable laws. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 12 Working Days of the Bid Closing Date (or such other period as may be prescribed under applicable law). If our Company does not allot Equity Shares pursuant to the Offer within 12 Working Days from the Bid Closing Date (or such other period as may be prescribed) 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 applicants at the rate of 15% per annum for the delayed period per annum or such interest as prescribed under applicable laws.

The Selling Shareholders undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchange. All expenses with respect to the Offer will be shared between the Selling Shareholders and our Company, in proportion to the Equity Shares contributed to the Offer. Further, each of the Selling Shareholders shall reimburse our Company for any expenses incurred by it, on behalf of such Selling Shareholder, in proportion to the Equity Shares offered for sale by each of the Selling Shareholders in the Offer, in so far as any delays pertain to the Equity Shares offered for sale by such Selling Shareholder. Subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, unless such delay has been caused solely by such Selling Shareholder.

Consents

Consents in writing of (a) the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the Chief Financial Officer, the BRLMs, the lenders to our Company, the legal counsels, the Bankers to our Company and the Registrar to the Offer have been obtained; and consents in writing of (b) the Syndicate Members, the Escrow Collection Banks and the Refund Banks, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the Registrar of Companies as required under Sections 26 and 32 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of filing of this Draft Red Herring Prospectus with SEBI.

Our Company has received written consent from the Statutory Auditor to include its 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 reports of the Statutory Auditors on the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements, each dated August 11, 2015 and the statement of tax benefits dated August 11, 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. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

Expert Opinion

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

Our Company has received written consent from the Statutory Auditor to include its 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 reports of the Statutory Auditors on the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements, each dated August 11, 2015 and the statement of tax benefits dated August 11, 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. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer shall include, among others, underwriting and management fees, selling commissions, SCSBs’ commissions/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees.

All Offer related expenses shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares sold to the public in the Fresh Issue and the Offer for Sale, respectively, in accordance with applicable law.

The estimated Offer expenses are as under:

(In ₹million)

Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the BRLMs	[●]	[●]	[●]
Commission and processing fees for SCSBs**	[●]	[●]	[●]
Brokerage and selling commission for Registered Brokers	[●]	[●]	[●]
Registrar to the Offer	[●]	[●]	[●]
Other advisors to the Offer	[●]	[●]	[●]
Bankers to the Offer	[●]	[●]	[●]
Others:			
(i) Listing fees;	[●]	[●]	[●]
(ii) Printing and stationery expenses;	[●]	[●]	[●]
(iii) Monitoring agency;	[●]	[●]	[●]
(iv) Advertising and marketing; and	[●]	[●]	[●]
(v) Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

*Will be incorporated at the time of filing of the Prospectus.

** Disclosure of commission and processing fees will be incorporated at the time of filing the Red Herring Prospectus. SCSBs would be entitled to a processing fee of ₹ [●] per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate and submitted to SCSBs.

Fees, Brokerage and Selling Commission Payable to the BRLMs and the Syndicate Members

The total fees payable to the BRLMs and the Syndicate Members (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the engagement letters among our Company, the Selling Shareholders and the BRLMs.

Fees Payable to the Registrar to the Offer

The fees payable by our Company and the Selling Shareholders to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated August 18, 2015 entered into, among our Company, the Selling Shareholders and the Registrar to the Offer.

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 such refund in any of the modes described in the Red Herring Prospectus or Allotment Advice by registered post/speed post/ordinary post.

Public or rights issues during the last five years

Our Company has not made any previous public issue or any rights issue during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed under the section titled “*Capital Structure – Notes to Capital Structure – Share Capital History-Securities issued for consideration other than cash*” beginning on page 89, our Company has not issued any securities for consideration other than cash.

Previous capital issues in the last three years

Except as disclosed in the section titled “*Capital Structure- Notes to the Capital Structure*” on page 86, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

None of our Subsidiaries or Group Entities is listed on any stock exchange.

Performance vis-à-vis objects

There has been no public issue or rights issue by our Company, Subsidiaries or Group Entities.

Underwriting commission, brokerage and selling commission on previous issues

There has been no public issue of the Equity Shares in the past. Thus, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Outstanding debentures or bond issues or preference shares or other instruments

Except the employee stock options granted under the ESOP Scheme and the Investor CCPS, our Company has no outstanding debentures or bonds or redeemable preference shares or other instruments as of the date of this Draft Red Herring Prospectus.

Partly paid-up shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Stock Market Data of the Equity Shares

This being an initial public offering of our Company, the Equity Shares are not listed on any stock exchange.

Other Disclosures

Except as disclosed in the section titled "*Capital Structure*" beginning on page 85 of this Draft Red Herring Prospectus, none of our Directors, Promoter and/or the members of our Promoter Group have purchased or sold any securities of our Company or Subsidiaries, during the six months preceding the date of filing this Draft Red Herring Prospectus with SEBI.

SEBI has not initiated any action against any entity associated with the securities market, with which our Directors are associated.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders dated August 18, 2015, provides for retention of records, including refund orders despatched to the Bidders, with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSBs or the member of the Syndicate at Specified Locations or the Registered Broker with whom the Bid cum Application Form was submitted as the case may be, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of Bid cum Application Form and the name and address of the Designated Branch or the collection centre of the SCSB or the Syndicate Member at the Specified Locations or the Registered Broker at the Broker Centres where the Bid cum Application Form was submitted. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI Regulations.

All other 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, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, amount paid on application, date of Bid cum

Application Form and the name and address of the member of the Syndicate or the Registered Broker where the Bid cum Application Form was submitted.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. With respect to the Bid cum Application Forms submitted with Registered Brokers, investors 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 for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders' Relationship Committee, comprising of Nikhil Nirvan Khattau, Murugavel Janakiraman and Milind Shripad Sarwate as members. For further details, see section titled "*Our Management- Committees of the Board*" beginning on page 188.

There have been no investor grievances received by the Company for the three years prior to the filing of this Draft Red Herring Prospectus.

Our Company has appointed S.Vijayanand as the Company Secretary and Compliance Officer and he may be contacted in case of any pre- Offer or post- Offer -related problems. He can be contacted at the following address:

S.Vijayanand

Company Secretary and Compliance Officer
TVH Beliciaa Towers, Tower II
10th Floor, No. 94, MRC Nagar
Mandaveli, Chennai - 600028
Telephone: +91 44 2463 1613
Facsimile: +91 44 2463 1777
E-mail: compliance@matrimony.com
Investor Grievance E-mail: investors@matrimony.com

Disposal of investor grievances by listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956

There are no listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 and therefore there are no investor complaints pending against these entities.

Change in auditors

There have been no changes in the auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus, except as disclosed below:

Name	Date of Change	Reason
Deloitte Haskins & Sells	February 8, 2013	Resignation
S. R. Batliboi & Associates	February 8, 2013	Appointment

Capitalisation of Reserves or Profits

Except for bonus issuance of Equity Shares as disclosed in the section titled "*Capital Structure-Notes to the Capital Structure- Securities issued for consideration other than cash*" on page 89, our Company has not capitalised its reserves or profits at any time since its incorporation.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to this Offer are subject to the provisions of the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the SCRA, SCRR, the SEBI Regulations, our Memorandum and Articles, the terms of the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, the Allotment Advice, CAN, Equity Listing Agreement and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by the SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by any governmental, regulatory or statutory authority while granting its approval for the Offer.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Offer shall be subject to the provisions of the Companies Act, 2013, Companies Act, 1956 (to the extent applicable), our Memorandum and Articles and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend. The Allottees will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association. See the section titled “*Main Provisions of the Articles of Association*” on page 449 for a description of significant provisions of our Articles.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to Shareholders of our Company as per the provisions of the Companies Act, 2013, Articles of Association, the provisions of the Equity Listing Agreement and other applicable law. In relation to the Offer for Sale, the dividend for the entire year shall be payable to the transferees. For further details in relation to dividends, see the sections titled “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” on pages 208 and 449, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 5.00 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Offer Price is ₹ [●]. The Price Band will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and minimum Bid lot will be decided by our Company in consultation with the Selling Shareholders and the BRLMs, and advertised in [●], an English national newspaper, [●], a Hindi national daily newspaper and [●] a Tamil newspaper, each with wide circulation (Tamil being the regional language of Tamil Nadu, the place where the Registered Office of our Company is situated), at least five Working Days prior to the Bid Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchange. The Offer Price shall be determined by our Company in consultation with the Selling Shareholders and the BRLMs on or after the Bid Closing Date, in accordance with the Book Building Process and applicable law.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with Regulations issued by SEBI

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, the equity shareholders of our Company shall have the following rights:

- The right to receive dividends, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or ‘electronic-voting’;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 1956, to the extent applicable, the Companies Act, 2013, the terms of the Equity Listing Agreement and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see section titled “*Main Provisions of the Articles of Association*” beginning on page 449.

Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares being offered through the Red Herring Prospectus can be applied for in the dematerialised form only.

Further, as per applicable law, the trading of our Equity Shares shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Chennai, India only.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are being offered and sold in the United States only to U.S. QIBs in transactions exempt from, or not subject to the registration requirements of the Securities Act and outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debenture) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in

whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest in relation to such securities, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of securities who has made the nomination, by giving notice of such cancellation or variation in the prescribed form.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If the investors require change to their nomination, they are requested to inform their respective Depository Participant.

Bidding Period

For details of the Bidding Period, see “*Offer Structure- Bidding Programme*” on page 390.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer equivalent to the minimum number of securities as required to comply with Rule 19(2)(b) of the SCRR, including devolvement of Underwriters as applicable, within sixty (60) days from the date of Bid Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law. In the event, the post-Offer Equity Share capital of our Company is calculated at the Offer Price to be lower than ₹ 1,600 million, then the Offer will be made for at least 25.00% of the post-Offer Equity share capital in terms of Rule 19(2)(b)(i) of the SCRR. However in the event the post-Offer Equity share capital of our Company calculated at the Offer Price is more than ₹ 1,600 million but lower than ₹ 4,000 million, then the Offer will be deemed to be undertaken in terms of Rule 19(2)(b)(ii) of the SCRR where the minimum offer to public will be at least such percentage which will be equivalent to ₹ 4000 million calculated at the Offer Price.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the Equity Shares in the Offer for Sale.

The Selling Shareholders shall reimburse to our Company any expense incurred by our Company on behalf of the Selling Shareholders with regard to refunds, interest for delays, etc., for the Equity Shares being offered in the Offer in proportion of the Equity Shares contributed by the Selling Shareholders to the Offer. Subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, unless such delay has been caused solely by such Selling Shareholder.

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.

If at least 75% of the Net Offer is not Allotted to the QIBs, the entire application money shall be refunded forthwith.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only, the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre- Offer Equity Shares, Promoter's Contribution and Allotment made to Anchor Investors pursuant to the Offer, as detailed in the section titled "*Capital Structure*" beginning on page 85 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting. See section titled "*Main Provisions of the Articles of Association*" beginning on page 449.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right not to proceed with the Offer any time after the Bid Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchange shall be informed promptly in this regard by our Company. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of an IPO by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares, for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] million consisting of a Fresh Issue to the public of up to [●] Equity Shares aggregating up to ₹ 3,500 million and an Offer for Sale of up to 1,660,603 Equity Shares aggregating up to ₹ [●] million, by the Selling Shareholders. The Offer comprises the Net Offer and the Employee Reservation Portion. The Employee Reservation comprises of up to [●] Equity Shares aggregating up to ₹ 2.50 million. The Offer and the Net Offer constitutes [●] % and [●]% of the fully diluted post-Offer paid up Equity Share capital of the Company, respectively.

The Offer is being made through the Book Building Process.

	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees
Number of Equity Shares available for Allotment/Allocation*	At least [●] Equity Shares.	Not more than [●] Equity Shares or Net Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not more than [●] Equity Shares or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	Up to [●] Equity Shares aggregating up to ₹ 2.50 million.
Percentage of Offer available for Allotment/Allocation	At least 75% of the Net Offer shall be Allotted to QIB Bidders. However, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Not more than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not more than 10% of the Net Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	[●] Equity Shares, constituting approximately [●]% of the Offer
Basis of Allotment 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; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs (other than Anchor Investors) including Mutual	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 allocated/Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for allocation/Allotment to Retail Individual	Proportionate

	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees
	Funds receiving allocation as per (a) above. Our Company in consultation with the Selling Shareholders and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.		Bidders by the minimum Bid Lot (“Maximum RII Allottees”). The allocation/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 RII Allottees, (i) Retail Individual Bidders shall be Allotted the minimum Bid lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Portion 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 the number of Retail Individual Bidders who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the Retail Individual Bidders (in that category) who will then be allocated/ Allotted minimum Bid Lot shall be determined on draw of lots basis. For further details, see “<i>Offer Procedure</i>” on page 393.	
Mode of Bidding	Through ASBA process only (except for Anchor Investors)	Through ASBA process only	Through ASBA process or non-ASBA process	Through ASBA or non-ASBA

	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 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
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed ₹ 200,000.	Such number of Equity Shares whereby the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.	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.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share subject to availability in the Non-Institutional Portion	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share subject to availability in the Retail Portion	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter, subject to availability in the Employee Reservation Portion
Trading Lot	One Equity Share.	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply**	Mutual Funds, Venture Capital Funds, AIFs, FVCIs, FPIs (other than Category III FPIs) public financial institution as defined in section 2(72) of the Companies Act, 2013, a scheduled commercial bank, multilateral and bilateral development financial institution, state industrial development corporation, insurance company registered with the Insurance Regulatory and Development Authority of India, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals and Category III FPIs.	Resident Indian individuals, HUFs in the name of the Karta) and Eligible NRIs.	Eligible Employees.
Terms of Payment	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form (including for Anchor Investors). [#]			

	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Eligible Employees
	In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount in the ASBA Account of the Bidder mentioned in the Bid cum Application Form.			

* Subject to valid Bids being received at or above the Offer Price. The Offer is being made through the Book Building Process wherein at least 75% of the Net Offer shall be Allotted to QIB Bidders on a proportionate basis. Provided that, our Company in consultation with the Selling Shareholders and the BRLMs may, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net 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, such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. Balance Equity Shares arising out of under-subscription, if any, in the Employee Reservation Portion will be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted to be met with spill over from the Employee Reservation Portion, subject to compliance with Rule 19(2)(b) of the SCRR.

** In case a Bid cum Application Form is submitted in joint names, the investors should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

The QIB Portion includes Anchor Investor Portion, as per the SEBI Regulations. Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date.

Bidding Programme *

FOR ALL BIDDERS	OFFER OPENS ON [●]
FOR QIBs**	OFFER CLOSES ON [●]
FOR RETAIL AND NON-INSTITUTIONAL BIDDERS	OFFER CLOSES ON [●]

*Our Company in consultation with the Selling Shareholders and the BRLMs may allocate up to 60% of the QIB Portion, i.e. [●] Equity Shares, to Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations. Anchor Investors shall bid on the Anchor Investor Bidding Date.

**Our Company in consultation with Selling Shareholders and the BRLMs may consider closing the Bidding Period for QIBs one Working Day prior to the Bid Closing Date in accordance with the SEBI Regulations

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs. While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within twelve Working Days of the Bid Closing Date or such other period as may be prescribed, the timetable may change due to various factors, such as extension of the Bidding Period by our Company and the Selling Shareholders, revision of the Price Band or any delays in receiving the final listing

and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend all reasonable 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 (offered by each such Selling Shareholder in the Offer) at all the Stock Exchange within twelve Working Days from the Bid Closing Date, or such other period as may be prescribed.

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) during the Bidding Period (except on the Bid Closing Date) at the Bidding Centres and the Designated Branches as mentioned on the Bid cum Application Form **except that:**

- (i) on the QIB Bid Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m.;
- (ii) on the Bid Closing Date:
 - a. in case of Bids by Non-Institutional Bidders and Eligible Employees, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m.; and
 - b. in case of Bids by Retail Individual Bidders or Eligible Employees bidding under the Employee Reservation Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m., which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Managers to the Stock Exchanges.

It is clarified that the Bids not uploaded on the online IPO system would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will only be accepted on Working Days. Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 issued by BSE, bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. The Company, the Selling Shareholders or any member of the Syndicate is not liable for any failure in uploading the Bids due to faults in any software / hardware system or otherwise.

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 for rectified data from the SCSB.

Our Company and the Selling Shareholders in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Regulations. In such an event, the Cap Price shall be less than or equal to 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid Opening Date.

In case of revision in the Price Band, the Bidding Period shall be extended for at least three additional Working Days after such revision, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by

notification to the SCSBs and 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.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. 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.

OFFER PROCEDURE

All Bidders should review the 'General Information Document for Investing in Public Issues' prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") included below under sub-section titled "– Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act (to the extent applicable), the Companies Act, 2013, 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 Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 26(2) of the SEBI Regulations, wherein at least 75% of the Net Offer shall be Allotted to QIBs on a proportionate basis. Our Company in consultation with the Selling Shareholders and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion (other than the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received from them at or above the Offer Price, such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

Subject to valid Bids being received at or above the Offer Price, in the event of under-subscription in the Retail Portion or the Non-Institutional Portion in the Offer, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories at the discretion of our Company in consultation with the Selling Shareholders and the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. Balance Equity Shares arising out of under-subscription, if any, in the Employee Reservation Portion will be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted to be met with spill over from the Employee Reservation Portion, subject to compliance with Rule 19(2)(b) of the SCRR.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchange.

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.

Retail Individual Bidders can submit their Bids by submitting Bid cum Application Forms, in physical form, to the members of the Syndicate, the sub-Syndicate or the Registered Brokers. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

Bid cum Application Forms for the Retail Individual Bidders, will be available at the offices of the BRLMs, the Syndicate/ sub-Syndicate Members, Registered Brokers at the Registered Broker Centers, SCSBs and at our Registered and Corporate Office. In addition, the Bid cum Application Forms will also be available for download on the websites of the Stock Exchanges, BSE (www.bseindia.com), at least one day prior to the Bid Opening Date. 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.

Kindly note that the Syndicate/ sub-Syndicate or the Registered Broker at the Syndicate Bidding Centres or Registered Brokers Centres, as applicable, may not accept the Bid if there is no branch of the Escrow Collection Banks at that location.

ASBA Bidders can submit their Bids by submitting Bid cum Application Forms, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained or in physical form to the Syndicate, the sub-Syndicate or the Registered Brokers. The physical Bid cum Application Forms will be available with the Designated Branches, members of the Syndicate/ sub-Syndicate and at our Registered Office.

Upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers to comply with the obligations set out in SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow Collection Bank, and are liable for any failure in this regard.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and non ASBA)**	[●]
Non-Residents including Eligible NRIs, FVCIs, FIIs, FPIs and registered multilateral and bilateral development financial institutions applying on a repatriation basis (ASBA and non ASBA)**	[●]
Anchor Investors***	[●]
Eligible Employees applying under the Employee Reservation Portion	[●]

* Excluding electronic Bid cum Application Forms.

** Bid cum Application forms will also be available on the website of the BSE (www.bseindia.com). Same Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, or to the Syndicate (in Specified Cities).

*** Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.

Who can Bid?

In addition to the category of Bidders set forth in the sub-section titled “Offer Procedure – Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue” on page 413, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion.
- Scientific and/or industrial research organizations in India, authorized which are authorized to invest in equity shares;
- Any other persons eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and policies applicable laws to them; and
- Eligible Employees.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to subscribe to this Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the Syndicate Members may subscribe to or purchase Equity Shares in the Offer, in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Other than mutual funds sponsored by entities related to the BRLMs, the BRLMs and the Syndicate Members, the Promoter, the Promoter Group and any persons related to them cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLMs, the Syndicate Members, the Registered Brokers at the Registered Broker Centers and the SCSBs. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts for the amount payable on application remitted through normal banking channels or by debits to their Non-Resident External (“NRE”) or Foreign Currency Non-Resident (“FCNR”) accounts, maintained with banks authorized by the RBI to deal in

foreign exchange along with documentary evidence in support of the remittance. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents, 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 Non-Resident Ordinary (“**NRO**”) accounts.

Eligible NRIs Bidding on non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR Accounts as well as the NRO Account. NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents ([●] in colour).

Non ASBA Bids by NRIs shall be submitted only in the locations specified in the Bid cum Application Form.

Bids by FIIs, FPIs and QFIs

On January 7, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 (“**SEBI FPI Regulations**”) pursuant to which the existing classes of portfolio investors namely FIIs and QFIs were subsumed under a new category namely ‘foreign portfolio investors’ or ‘FPIs’. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, 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 FPI Regulations. 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 FPI after registering as an FPI under the SEBI FPI Regulations. Further, a QFI who had not obtained a certificate of registration as a FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such QFIs who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Offer.

In terms of the SEBI FPI Regulations, the issue 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) is not permitted to exceed 10% of the total issued capital of our Company. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total post-Offer paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the post-Offer paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board, followed by a special resolution passed by the shareholders of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (“**ODIs**”). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. FPIs are required to Bid through the ASBA process to participate in the Offer.

An FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPIs by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in ODIs (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 ODIs are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such ODIs are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any ODI is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “**SEBI VCF Regulations**”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, *inter alia* prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after notification of the SEBI AIF Regulations.

All Non-Resident Bidders including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the draft red herring prospectus with SEBI.

Bids by Eligible Employees

Bids under the Employee Reservation Portion shall be subject to the following:

- Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.
- The sole/ First Bidder shall be an Eligible Employee.
- Bid shall be made only in the prescribed Bid cum Application Form ([●] in colour) or Revision Form.
- Only those Bids, which are received at or above the Offer Price, would be considered for allocation under the Employee Reservation Portion.
- Eligible Employees Bidding in the Employee Reservation Portion may Bid in any of the bidding options at Cut-Off Price.
- The maximum Bid amount by any Eligible Employee cannot exceed ₹ 200,000.
- The value of Allotment to any Eligible Employee shall not exceed ₹ 200,000.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.
- Bid by an Eligible Employee can be made also in the Net Offer portion and such Bids shall not be treated as multiple Bids.
- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Balance Equity Shares arising out of under-subscription, if any, in the Employee Reservation Portion will be added to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-

subscription shall be permitted to be met with spill over from the Employee Reservation Portion, subject to compliance with Rule 19(2)(b) of the SCRR.

- Eligible Employees should provide the details of the depository accounts including DP ID, Client ID and PAN as well as employee number in the relevant space in the Bid-cum-Application Form.
- In order to be eligible to get allotment under the Employee Reservation Portion, Eligible Employees should ensure that their bids do not exceed ₹ 200,000. Please refer to “*Offer Procedure - Grounds for Technical Rejections*” on page 406 for information on rejection of Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see “*Basis of Allotment*” on page 438.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids by insurance companies

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority of India, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority of India must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 5 of the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “**IRDA Investment Regulations**”) are set forth below:

- a equity shares of a company: the lower of 10% of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ investment assets in case of a general insurer or a reinsurer;
- 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 a 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 operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) or (c) above, as the case may be.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning

any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “**Banking Regulation Act**”), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company’s paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the 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 under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

Our Company and the Selling Shareholders in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that our Company, the Selling Shareholders and the BRLMs deem fit, without assigning any reasons therefore.

In accordance with existing regulations, OCBs cannot participate in the Offer.

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 an English national daily newspaper, a Hindi national daily newspaper and a Tamil newspaper, each with wide circulation (Tamil being the regional language of Tamil Nadu, the place where the Registered Office of our Company is situated). In the pre- Offer advertisement, we shall state the Bid Opening Date, the Bid Closing Date and the QIB Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Information for Bidders

In addition to the instructions provided to Bidders set forth in the sub-section titled “– *Part B – General Information Document for Investing in Public Issues*” on page 410, Bidders are requested to note the following additional information in relation to the Offer.

1. Our Company shall dispatch the Red Herring Prospectus and other Offer material including Bid cum Application Forms, to the Designated Stock Exchange, Syndicate/ sub-Syndicate, Bankers to the Offer, investors' associations and SCSBs in advance.
2. The Price Band will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and the minimum Bid Lot for the Offer will be decided by our Company in consultation the Selling Shareholders and the BRLMs and advertised in an English national daily newspaper, a Hindi national daily newspaper and a Tamil newspaper, each with wide circulation (Tamil being the regional language of Tamil Nadu, the place where the Registered Office of our Company is situated) at least five Working Days prior to the Bid Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be pre-filled in the Bid cum Application Forms available on, the Stock Exchanges websites and Registered Broker terminals.
3. It is not obligatory for the Registered Brokers to accept the Bid cum Application Forms. However, upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers to comply with the obligations set out in SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow Collection Bank (in case of Bids by Bidders other than ASBA Bidders) and forwarding the schedule along with the Bid cum Application Form to the relevant branch of the SCSB (in case of Bids by ASBA Bidders), and are liable for any failure in this regard.

In case of Bid cum Application Form by non ASBA Bidders, Registered Brokers shall deposit the cheque, prepare electronic schedule and send it to Escrow Collection Banks. All Escrow Collection Banks, which have branches in a Registered Broker Centre, shall ensure that at least one of its branches in the Registered Broker Centre accepts cheques. Registered Brokers shall deposit the cheque in any of the bank branch of the Escrow Collection Banks in the Registered Broker Centre. Registered Brokers shall also update the electronic schedule (containing application details including the application amount) as downloaded from Stock Exchanges platform and send it to local branch of the Escrow Collection Banks. Registered Brokers shall retain all physical Bid cum Application Forms and send it to the Registrar to Offer after six months.

4. In case of Bid cum Application Forms submitted by ASBA Bidders, Registered Brokers shall forward a schedule (containing application number and amount) along with the Bid cum Application Forms to the branch where the ASBA Account is maintained of the relevant SCSB for blocking of fund.
5. The Syndicate/ sub-Syndicate, the SCSBs and the Registered Brokers, as the case may be, will enter each Bid option into the electronic Bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form. All accepted Bids made at the Registered Broker Centre shall be stamped and thereby acknowledged by the Registered Brokers at the time of receipt, which shall form the basis of any complaint. It is the Bidder's responsibility to obtain the TRS from the Syndicate/ sub-Syndicate, the Designated Branches or Registered Brokers. The registration of the Bid by the Syndicate/ sub-Syndicate, the Designated Branches or Registered Brokers does not guarantee that the Equity Shares shall be allocated/ Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier TRS and may request for a revised TRS from the Syndicate/ sub-Syndicate, the Registered Brokers or the SCSB as proof of his or her having revised the previous Bid.
6. Our Company in consultation with the Selling Shareholders and the BRLMs, will finalise the Offer Price within the Price Band, without the prior approval of or intimation to the Bidders.
7. In relation to electronic registration of bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or

endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the Selling Shareholders, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

8. In case of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted by the ASBA Bidders to SCSB or to the Syndicate (in specified cities) to whom the original Bid was submitted. 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 this Red Herring Prospectus if the Bid was made through ASBA. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.
9. In case of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding would be refunded from the Escrow Account in case of non-ASBA Bidders or unblocked, in case of ASBA Bidders.
10. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the ASBA Bids, if revision of the Bids results in an incremental amount, the SCSBs shall block the additional Bid Amount. In case of Bids, other than ASBA Bids, the Syndicate/ sub-Syndicate or the Registered Brokers, as the case may be, shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions.
11. Allocation to Non-Residents, including Eligible NRIs FIIs and FPIs will be subject to applicable law, rules, regulations, guidelines and approvals.
12. The Allotment and trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the Stock Exchange.

In addition to the information provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Interest and Refunds - Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants*” on page 443, Bidders are requested to note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Fresh Issue shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

Signing of the Underwriting Agreement and the RoC Filing

The Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or after the finalisation of the Offer Price. On or after signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

GENERAL INSTRUCTIONS

In addition to the general instructions provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues*” on page 410, Bidders are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that 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) or with respect to ASBA Bidders, ensure that your Bid is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account, or to a Registered Broker at the Broker Centres.
6. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Syndicate in the Specified Locations or with a Registered Broker at the Broker Centres, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to our Company or the 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 the Non-Institutional Bidders should submit their Bids through the ASBA process only;
9. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
10. Ensure that you request for and receive a TRS for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);
12. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;
13. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process for any other purpose;
15. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the

demographic details evidencing the same;

17. Ensure that the Demographic Details 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 name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
20. Ensure that the category and sub-category is indicated;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the stock exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;
24. 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);
25. 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;
26. 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>). 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;
27. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
28. 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 authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form
29. In relation to the ASBA Bids, ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form; and
30. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;
4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
5. Do not send Bid cum Application Forms by post; Instead submit the same with a Designated Branch of the SCSBs, Syndicate/ sub-Syndicate the Registered Brokers, as the case may be;
6. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company or the Registrar to the Offer;
7. 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;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
12. Do not submit the GIR Number instead of the PAN;
13. 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;
14. In case you are an ASBA Bidder, do not instruct your respective banks to release the funds blocked in the ASBA Account for any other purpose;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not submit the Bids without the full Bid Amount;
17. 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;
18. 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;
19. If you are a QIB, do not submit your Bid after 3.00 p.m. on the Bid Closing Date;
20. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid Closing Date;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;, other than minors having valid depository accounts as per the Demographic Details provided by the Depositories;

22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
23. Do not submit more than five Bid cum Application Forms per ASBA Account;
24. 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;
25. 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>); and
26. 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.
27. If you are a Retail Individual Bidder or an Eligible Employee bidding in the Employee Reservation Portion, do not make the payment for an amount exceeding ₹ 200,000. Where the amount paid exceeds ₹ 200,000, non-QIB Bidders, other than Eligible Employees bidding in the Employee Reservation Portion, must ensure that they apply only through the ASBA process and such Bidders applying through the ASBA process will be considered for allocation under the Non-Institutional Portion. Furthermore, Bids by Eligible Employees bidding in the Employee Reservation Portion where the Payment Amount is in excess of ₹ 200,000 are liable to be rejected. In case of non-ASBA Bids, if the Payment Amount is in excess of ₹ 200,000, the Bid is liable to be rejected. Please refer to the “Offer Procedure - Grounds for Technical Rejections” on page below for information on rejection of Bids; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Instructions for filing the Bid cum Application Form/ Application Form*” on page 414. Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Bids through ASBA must be made in single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Red Herring Prospectus and in the Bid cum Application Form.
3. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FIIs or FPIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Escrow mechanism for non-ASBA Bidders

In addition to the payment instructions for non-ASBA Bidders as provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Payment Details – Instructions for non-ASBA Applicants*” on page 422, non-ASBA Bidders are requested to note the following.

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - In case of resident Retail Individual Bidders: “[●]”;
 - In case of Non-Resident Retail Individual Bidders: “[●]”
 - In case of Anchor Investors: “[●]” for resident Anchor Investors, and “[●]” for Non Resident Anchor Investors; and
 - In case of Eligible Employees: “Escrow Account – [●] – Eligible Employees - R”.
2. 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. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts will be rejected. Please note that cheques without the nine digit Magnetic Ink Character Recognition (“**MICR**”) code are liable to be rejected.
3. **Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Banks and the Registrar to the Offer to facilitate collections from the Bidders.**

Designated Date and Allotment

- (a) Our Company will ensure that the Allotment and credit to the successful Bidder’s depository account will be completed within twelve Working Days of the Bid Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Issue Procedure in Book Built Issue – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections*” on page 406, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;
2. Bids submitted by Retail Individual Bidders which do not contain details of the Bid Amount and the bank account details in the Bid cum Application Form;
3. Bids submitted on a plain paper;
4. Bids by HUFs not mentioned correctly as given in the sub-section titled “*Offer Procedure – Part A – Who can Bid?*” on page 395;
5. Bid cum Application Form submitted to the BRLMs does not bear the stamp of the BRLMs or the Registered Brokers;
6. ASBA Bids submitted directly to the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the BRLMs, as the case may be;
7. Signature of First/sole Bidder missing;
8. With respect to ASBA Bids, the Bid cum Application Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by Retail Individual Bidders and Eligible Employees with Bid Amount for a value of more than ₹ 200,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stockinvest/money order/postal order/cash;
14. Bids by persons in the United States excluding "qualified institutional buyers" as defined in Rule 144A of the U.S. Securities Act;
15. Bids by U.S. Persons, as defined under Regulation S of the U.S. Securities Act, outside the United States;
16. Bids uploaded by QIBs after 4.00 pm on the QIB Bid Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid Closing Date, unless extended by the Stock Exchanges.
17. Bids by persons who are not Eligible Employees and have submitted their Bids under the Employee Reservation Portion; and
18. Bids by Eligible Employees who do not mention their employee number in the Bid-cum-Application Form.

In terms of the RBI circular (No.DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS cheques would be processed in three CTS centres thrice a week until April 30, 2014, twice a week until October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid Closing Date or any other period that may be prescribed by SEBI, investors are advised to use CTS cheques or use the ASBA facility to make payments. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid Closing Date.

PLEASE NOTE THAT IN THE EVENT OF A DELAY BEYOND SIX WORKING DAYS FROM THE BID CLOSING DATE IN CLEARING THE CHEQUES ACCOMPANYING THE BID CUM APPLICATION FORM (WHETHER CTS OR NON-CTS), FOR ANY REASON WHATSOEVER (INCLUDING BUT NOT LIMITED TO ANY NATURAL/MATERIAL CALAMITIES OR ANY EXTENSION BY THE BANK ON THE TIME PERIOD FOR CLEARING WITH PERMISSION OF RBI OR OTHERWISE), SUCH BID CUM APPLICATION FORM MAY BE CONSIDERED FOR REJECTION.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated January 8, 2015 NSDL, our Company and the Registrar to the Offer.
- Agreement dated November 25, 2014 among CDSL, our Company and Registrar to the Offer.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if our Company does not proceed with the Offer after the Bid Closing Date, the reason thereof shall be given as a public notice within two days of the Bid Closing Date. The public notice shall be issued in the same newspapers where the pre- Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That if the Selling Shareholders withdraw the Offer for Sale after the Bid Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company or any Selling Shareholder subsequently decides to proceed with the Offer;

- That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed are taken within 12 Working Days of the Bid Closing Date or any other period that may be prescribed by SEBI;
- That 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;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;
- That no further Offer of 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.;
- That adequate arrangement 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; and
- Our Company shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from all Stock Exchange where listing is sought has been received.

UNDERTAKINGS BY THE SELLING SHAREHOLDERS

Each of the Selling Shareholders severally and not jointly undertakes the following:

- It is the legal and beneficial owners of the Equity Shares proposed to be transferred pursuant to the Offer for Sale;
- the Equity Shares proposed to be transferred by it in the Offer (a) have been held by it for a minimum period as specified in Regulation 26(6) of the SEBI Regulations; (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialized form at the time of transfer;
- that it shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchange where listing is proposed have been obtained;
- it shall be liable to refund the application monies as required under applicable laws and statutory time limits, and in the event of failure to do so, shall pay interest to the non-ASBA Bidders as provided under the Companies Act, 2013 or any other applicable laws and regulations, provided such refund and interest shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares sold in the Fresh Issue and Offer for Sale, respectively. Provided that, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, unless such delay has been caused solely by such Selling Shareholder;
- it shall provide all reasonable cooperation as requested by our Company in relation to the completion of allotment and dispatch of the allotment advice and Anchor Investor allocation note, if required, and refund orders to the extent of the Equity Shares offered by them pursuant to the Offer;
- it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer;
- It has authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Equity Shares offered by it in the Offer for Sale; and
- It shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer for Sale are available for transfer in the Offer for Sale.

The decisions with respect to the Price Band will be taken by our Company and the Selling Shareholders in consultation with the BRLMs and the minimum Bid lot, revision of Price Band and Offer Price will be taken by our Company in consultation with the Selling Shareholders and the BRLMs.

Utilisation of Offer proceeds

The Company and the Selling Shareholders declares that all monies received out of this Offer shall be transferred to a separate bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

The Board of Directors declares that:

- (i) details of all monies utilized out of the Fresh Issue referred to above shall be disclosed and continue to be disclosed until the time any part of the Offer Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- (ii) details of all unutilized monies out of the Fresh Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations, 2009").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("RHP")/Prospectus filed by the Issuer with the Registrar of Companies ("RoC"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchange, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the "Companies Act") as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues - Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-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

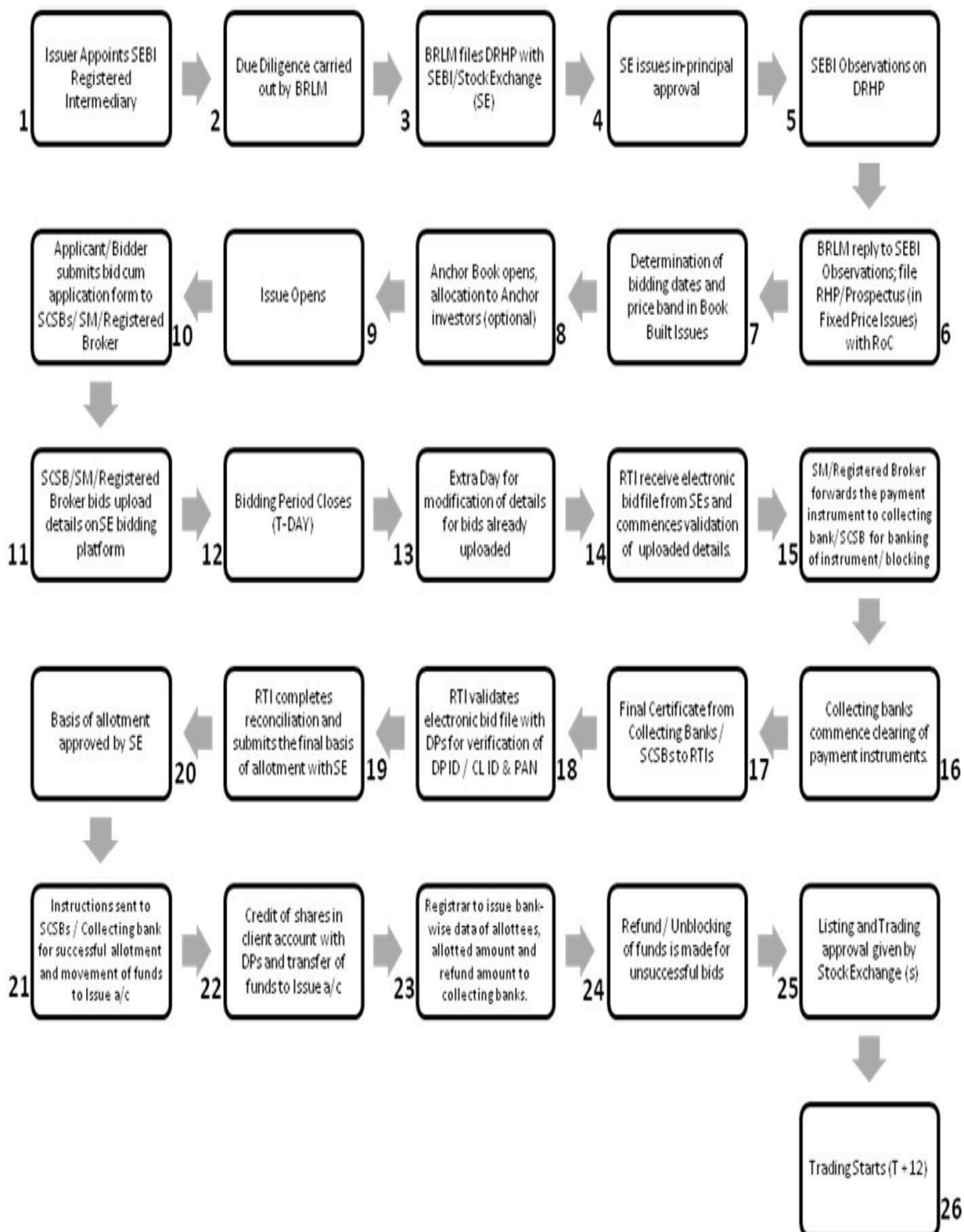
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of 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, FIIs, 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;
- Qualified Foreign Investors subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub- Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB) FPIs on a repatriation basis	Blue
Anchor Investors	As specified by the Issuer

Securities Issued in an IPO of Issue size equal to rupees ten crores or more can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM / APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI'S APPLYING ON A NON-REPATRIATION BASIS	
Logo To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE IN		Bid cum Application Form No.	
SYNDICATE MEMBER'S STAMP & CODE BROKER'S/AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____			
ESCROW BANK / SCBS BRANCH STAMP & CODE SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		2. PAN OF SOLE / FIRST APPLICANT _____			
BANK BRANCH SERIAL NO. REGISTRAR'S / SCBS 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			
4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")		5. Category ☐ Retail Individual ☐ Non-Institutional ☐ QIB			
Bid Options No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) 7 6 5 4 3 2 1 Option 1 (OR) Option 2 (OR) Option 3		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) 4 3 2 1 4 3 2 1 4 3 2 1 ☐ ☐ ☐			
6. Investor Status ☐ Individual(s) - IND ☐ Hindu Undivided Family* - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ National Investment Fund - NIF ☐ Insurance Funds - IF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VCF ☐ Others (Please specify) - OTH		* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)			
7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)		PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment			
Amount Paid (₹ in figures) _____ (₹ in words) _____ ☐ (A) CHEQUE/ DEMAND DRAFT (DD) Cheque/DD No. _____ Dated D / M / Y Drawn on (Bank Name & Branch) _____		☐ (B) ASBA Bank A/c No. _____ Bank Name & Branch _____			
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFORM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the instructions for Filing up the Bid Cum Application Form given overleaf.					
8A. SIGNATURE OF SOLE / FIRST APPLICANT _____ Date: _____, 2011		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY) I/We authorize the SCBS to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____		BROKER'S / SCBS BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system) _____	
TEAR HERE					
XYZ LIMITED		Acknowledgement Slip for Syndicate Member / SCBS		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 _____			
TEAR HERE					
XYZ LIMITED		Option 1 Option 2 Option 3 No. of Equity Shares Bid Price Amount Paid (₹) Cheque / DD/ASBA Bank A/c No. _____ Bank & Branch _____		Stamp & Signature of Syndicate Member / SCBS Name of Sole / First Applicant _____ Acknowledgement Slip for Bidder Bid cum Application Form No.	

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - NR		FOR ELIGIBLE NRIs, FIIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS	
Logo		To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE Bid cum Application Form No. INE523L01018	
SYNDICATE MEMBER'S STAMP & CODE		BROKER/AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant	
SCSB BANK / SCSB BRANCH STAMP & CODE		SUB-BROKER / SUB-AGENT'S STAMP & CODE		Mr. / Ms. _____	
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSB SERIAL NO.		Address _____	
				Email _____	
				Tel. No. (with STD code) / Mobile _____	
				2. PAN OF SOLE / FIRST APPLICANT	
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL				5. Investor Status	
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID				☐ NR Non Resident Indian (Repatriation basis)	
				☐ FI Foreign Institutional Investor	
				☐ FVCI Foreign Venture Capital Investor	
				☐ FISA FI Sub Account Corporate / Individual	
				☐ OTH Others (Please Specify)	
4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")					
Bid Options	No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (in Figures)		5. Category	
		Bid Price	Discount, if any	Net Price	"Cut-off" (Price in ₹)
Option 1					☐ Retail Individual
(OR) Option 2					☐ Non-Institutional
(OR) Option 3					☐ BII
7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)				PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment	
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 CUM APPLICATION FORM AND THE ATTACHED FORM SA 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.					
IA. SIGNATURE OF SOLE / FIRST APPLICANT		IB. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY)		BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)	
Date: _____, 2011		(We authorize the SCSB to do all acts as are necessary to have the Application in the issue)			
TEAR HERE					
XYZ LIMITED		Acknowledgement Slip for Syndicate Member / SCSB		Bid cum Application Form No. _____	
DPID / CLID		PAN			
Amount Paid (₹ in figures)		Bank & Branch		Stamp & Signature of Banker	
Cheque / DD/ASBA Bank A/c No.					
Received from Mr./Ms.					
Telephone / Mobile		Email			
TEAR HERE					
XYZ LIMITED	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.				Acknowledgement Slip for Bidder	
Bank & Branch				Bid cum Application Form No. _____	

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper where the Registered Office of our Company is situated, 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 BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.
- (b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by

the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

- (f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Issue size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
 - (i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - (ii) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
 - (i) 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.
- (iv) 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.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) Upto 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis [subject to the criteria of minimum and maximum number of anchor investors based on allocation size], to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, QFIs, 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 Retail 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 cooperative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.
- (g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Bidders

- (a) ASBA Bidders may submit the Bid cum Application Form either
 - (i) in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
 - (ii) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - (iii) in physical mode to a member of the Syndicate at the Specified Locations or

- (iv) Registered Brokers of the Stock Exchange
- (b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- (g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.
- (h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else

their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within twelve Working Days of the Bid/Issue Closing Date, or any other period as may be prescribed.

4.1.7.3 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 **Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application

Form/Application Form.

- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
 - (i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
 - (ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - (iii) In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - (iv) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker.
 - (v) Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- (d) The following details (as applicable) should be quoted while making any queries –
 - (i) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - (ii) name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted 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 finalization of allotment.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI* APPLYING ON A NON-REPATRIATION BASIS		
Logo		To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE INE523L01018		
				Bid cum Application Form No.		
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S/AGENTS STAMP & CODE		4. NAME & CONTACT DETAILS of Sole / First Applicant		
				Mr. / Ms.		
ESCROW BANK / SCSSB BRANCH STAMP & CODE		SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		Tel. No (with STD code) / Mobile		
				2. PAN OF SOLE / FIRST APPLICANT		
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSSB SERIAL NO.		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL		
				For NSDL, enter 3 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID		
PLEASE CHANGE MY BID						
4. FROM (as per last Bid or Revision)						
Bid Options		No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)		Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)		
		(In Figures)		(In Figures)		
		7 6 5 4 3 2 1		Bid Price Discount, if any Net Price "Cut-off"		
Option 1						
(OR) Option 2						
(OR) Option 3						
5. TO (Revised Bid)						
Bid Options		No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)		Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)		
		(In Figures)		(In Figures)		
		7 6 5 4 3 2 1		Bid Price Discount, if any Net Price "Cut-off"		
Option 1						
(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 OVER LEAF. 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		1) 2) 3)				
TEAR HERE						
XYZ LIMITED BID REVISION FORM		Acknowledgement Slip for Syndicate Member / SCSSB		Bid cum Application Form No.		
DPID / CLID		PAN				
Additional Amount Paid (₹)		Bank & Branch		Stamp & Signature of Banker		
Cheque / DD/ASBA Bank A/c No.						
Received from Mr./Ms.						
Telephone / Mobile		Email				
TEAR HERE						
XYZ LIMITED BID REVISION FORM	Option 1		Option 2		Option 3	
	No. of Equity Shares					
	Bid Price					
	Additional Amount Paid (₹)					
	Cheque / DD/ASBA Bank A/c No.					
Bank & Branch		Acknowledgement of Syndicate Member / SCSSB		Name of Sole / First Applicant		
				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 AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 AND 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The 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 AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY AND AMOUNT**

- (a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead 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) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
 - (ii) Applications by Mutual Funds, 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 Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.

4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories in their respective portion can Bid, either through the ASBA

mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").

- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 Instructions for non-ASBA Applicants:

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by cheque, or demand draft drawn on any bank (including a cooperative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent

to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2.1 **Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within twelve Working Days of the Issue Closing Date, or any other period as may be prescribed.

4.3.5.3 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS AND ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 and 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Non-ASBA Application	(a) To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form (b) To Registered Brokers
ASBA Application	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres (b) To the Designated branches of the SCSBs where the ASBA Account is maintained

- (a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.
- (b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.
- (c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.
- (b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.
- (c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price

less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.

- (d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION AND RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to
 - (i) the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,

- (ii) the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
 - (iii) the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
 - (iv) With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.
- (b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
 - (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
 - (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
 - (e) All bids by QIBs, NIIs and RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUND FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications by OCBs; and
- (c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- (e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (g) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (h) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been

verified by the Depository Participant;

- (i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (k) Bids/Applications at a price less than the Floor Price and 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 ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.
- (b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.
- (c) For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP. In case of under subscription in the New Issue, spill over to the extent of such under subscription may be permitted from the Reserved Portion to the New Issue.
- (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 BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is

Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the

balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

- (b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:
- (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15

- Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS) NIIs, AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for

allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within twelve Working Days of the Bid/ Issue Closing Date, or any other period as may be prescribed. 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 AND 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 twelve Working Days of the Bid/Issue Closing Date, or any other period as may be prescribed. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within twelve Working Days of the Bid/Issue Closing Date, or any other period as may be prescribed.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the Issuer who is in default shall be punishable with imprisonment for a term

which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to three lakh rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith 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.

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 prescribed, and 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 60 days from the Bid/Issue Closing Date, the Issuer may forthwith, without interest refund the entire subscription amount received in a manner prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and other applicable laws. 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.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount, then every director of the Issuer who is an officer in default may, on and from such expiry of 15 days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 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 twelve Working Days of the Bid/Issue Closing Date, or any other period as may be prescribed, 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 twelve Working Days of the Bid/Issue Closing Date, or any other period as may be prescribed, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.
- (c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis

of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank..

- (d) In the case of Bids from Eligible NRIs, FPIs and FIIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (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. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank..

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at rates prescribed under applicable laws if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the twelve Working Days of the Bid/Issue Closing Date, or any other period as may be prescribed.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer, in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid /Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date

Term	Description
Bid/Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM/ Book Running Lead Manager/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Category III FPI	FPIs who are registered as “Category III foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager, 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

Term	Description
	the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign portfolio investor registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Managers
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account

Term	Description
Net Issue	The Issue less the Reservation Portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and Category III foreign portfolio investors, 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, FPIs, FIIs registered with SEBI and FVCIs registered with SEBI, FPIs and QFIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager 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, finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act after the Pricing Date, containing the Issue Price ,the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
Qualified Foreign Investors or QFIs	Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made

Term	Description
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category	Categories 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.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager and the Syndicate Member(s)
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager 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

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act, 2013 and the SEBI Regulations, the main provisions of our Articles relating to, *inter alia*, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

Article	Sub-article	Particulars
<i>Share capital and variation of rights</i>		
4		The authorized share capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum with power to increase or reduce the capital and divide the shares in capital of the Company 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 as may be determined in accordance with these present and modify or abrogate any such rights, privileges or conditions in such manner as may be permitted for the time being by the Act.
5.		The Company shall have the power to amend and alter the share capital of the Company in accordance with the provisions of the Act (including any increase or decrease thereof).
6.		The paid up capital of the Company shall be minimum of Rs. 5,00,000/- (Rupees Five Lac only).
7.		The Company shall have power to issue preference shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or out of security premium account of the Company or liable to be redeemed at the option of the Company, and the Board may, subject to the provisions of the Act, exercise such power in such manner as it thinks fit and also classify and determine the terms and conditions of such preference shares, including without limitation the coupon rate, premium on issue and redemption, conversion terms, accumulation of dividend.
8.		If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares, may by resolution of the Board be applied only in paying up in full or in part any new securities then remaining unissued to be issued to such Members of the Company as the Board may resolve up to an amount equal to the nominal amount of the securities so issued.
9.		The Company shall have the power to issue optionally convertible/convertible/ non-convertible debentures subject to the provisions of the Act and other applicable law. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of shares shall not be issued except with the sanction of the Company in general meeting and subject to the provisions of the Act.
10.		Subject to the provisions of the Act, the Company may issue sweat equity shares of a class of shares already issued. Subject to the provisions of the Act, the Company may, if so deemed fit, issue such sweat equity shares at a discount.
11.		Subject to the provisions of the Act, the Company in a general meeting, may by ordinary resolution from time to time:
	a.	increase its authorised share capital by such amount as it thinks expedient;
	b.	consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved in the manner specified in the Act;
	c.	convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
	d.	sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
	e.	cancel shares which, at the date of the passing of the resolution in that behalf, have not been

Article	Sub-article	Particulars
		taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
12.		Subject to the provisions of the Act:
	a.	Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, whether out of unissued share capital or out of the increased share capital, such shares shall be offered:
	i.	to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
	A.	the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
	B.	the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in Article 12(a)(i)(A) shall contain a statement of this right;
	C.	after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not dis-advantageous to the shareholders and the Company;
	ii.	to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act; or
	iii.	to any persons whether or not those persons include the persons referred to in Article 12(a)(i) or (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act.
	b.	Nothing in Article 12(a) shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company; Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.
13.		Subject to the provisions of the Act or any other applicable law for the time being in force, the Company may issue bonus shares to its Members (including by way of capitalisation of profits, reserves, etc. for the purpose of issuing fully-paid up shares) in any manner as the Board may deem fit.
15.		Subject to the provisions of the Act as applicable to the Company and subject to the provisions of these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons in such proportions and on such terms and conditions and with such right preferential or otherwise as to dividends or as to repayment of capital or such other rights and either at a premium or at par, or subject to compliance with Section 54 of the Act at a discount, and at such time as they from time to time think fit and with the sanction of the Company in general meeting to give to any person the right or option of any shares either at par or at premium during such time and for such consideration as the Board think fit, and the Board may also issue and allot shares in the capital of the Company in payment or part payment of any property sold or transferred or for services rendered to the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up and, if so issued, shall be deemed to be fully paid up shares. 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 the general meeting.
Buy Back of shares		
16.		Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other securities subject to the provisions of the Act and other applicable provisions of law.
Lien		

Article	Sub-article	Particulars
19.		The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid up shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sales thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any shares shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses or interest and premium from time to time declared or payable in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any on such shares/debentures. The Board may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article. Fully paid up shares/debentures shall be free from lien.
Call on shares		
20.		Regulation 13 of Table F shall apply to this Company, provided that: - i there shall be no restriction on the amount that can be called by the Board; - ii there shall be no restriction on the intervals between any two or more call made by the Board; and under each of the above circumstances the remaining provisions contained in Table F shall apply accordingly.
Transfer of shares		
39.		Subject to the provisions of Sections 58 and 59 of the Act, Article 35 hereof and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmissions by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date of which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmissions, as the case may be, giving reason for such refusal. 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. Further provided that a common form of transfer shall be used, the instrument of transfer shall be in writing and all the provisions of the Act for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The securities held by any Member in the Company shall be freely transferable; provided that any contract or arrangement between two or more persons in respect of transfer of securities shall be enforceable as a contract.
Capitalization of profits		
58.		Notwithstanding anything contained in Table F, but subject to the provisions of the Act, at any general meeting of the Members of the Company, the Company may resolve that any amount standing to the credit of the Securities Premium Account or the Capital Redemption Reserve Account or Profit & Loss Account or any monies, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other fund of the Company or in the hands of the Company and otherwise available and set free for distribution amongst the Members who would have been entitled thereto in such proportions as may be permitted under the Act:
	(i)	by the issue and distribution as fully paid shares, debentures, debenture stock, bonds of obligations of the Company; or
	(ii)	by crediting the shares of the Company which may have been issued and or not fully paid-up with the whole or any part of the sum remaining unpaid thereon.
Borrowing Powers		
57.		The Board may from time to time at its discretion raise or borrow or secure the payment of or may itself lend any sum or sums of money for the purposes of the Company. The Board may raise money and secure the repayment of such money in such manner and on such terms and conditions in all respects, as it thinks fit and proper and in particular by the issue of debenture

Article	Sub-article	Particulars
		and bonds of the Company or by the creation of debenture stock, subject to the limitations and restrictions in the Act or by making, drawing, accepting or endorsing on behalf of the Company, promissory note or bills of exchange, or giving or issuing any other securities of the Company or mortgage or charge of all or any part of the property of the Company, both present and future, including its uncalled capital for the time being and the Board may on behalf of the Company guarantee all or any part of any loan or debt, incurred by the Company with power for them to secure the guarantors against liability in respect of such loans by means of mortgage or charge of the Company's property moveable or immoveable or otherwise.
Board of Directors		
43		The number of Directors shall not be less than three and shall not be more than fifteen, excluding nominee Directors appointed by any Financial Institutions or any other Institutions or Banks. Provided, that the Company may appoint a director in excess of the limit provided above by passing a special resolution.
45.	a.	The Board may appoint an alternate Director to act for a Director (hereinafter called the "Original Director") during his absence for a period of not less than three months, from India.
	b.	An alternate Director appointed under article 45(a) above shall vacate office if and when the Original Director returns to India.
	c.	If the terms of office of the Original Director is determined before he returns to India, any provisions for the automative reappointment of retiring Directors in default of another appointment, shall apply to the Original and not the Alternate Director.
46.		A Director shall not be required to hold any qualification shares.
49.		At the first annual general meeting of the Company all the Directors save and except the Directors who are not liable to retire by rotation shall retire from office and at the annual general meeting in every subsequent year, one-third of such Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to the one-third, shall retire from office. The Directors to retire in every year shall be those who have been longest in the office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-appointment. The Company at the meeting at which a Director retires in manner aforesaid, may fill the vacated office by appointing a person thereto, and in default the retiring Director shall, if offering himself for re-appointment, be deemed to have been re-appointed, unless at such meeting, it is expressly resolved not to fill such vacated office or unless a resolution for the re-appointment of such Director shall have been put to the meeting and lost.
51	a.	Subject to the provisions of the Act, the Board may, from time to time, appoint one or more Directors to be managing Director/ executive Director or managing Directors/ executive Directors of the Company and may, from time to time (subject to the provisions of any contract between him or them and the Company), remove or dismiss him or them from office, appoint another or others in his place or their places. Without prejudice to the foregoing, any person appointed as a chairperson of the Company may also be appointed as the managing Director or Chief Executive Officer of the Company at the same time as his appointment as the chairperson of the Company.
	b.	Subject to the provisions of the Act, a managing Director/ executive Director shall, while he continues to hold that office, be subject to retirement by rotation and subject to the provisions of any contract between him and the Company, he shall be subject to the same provisions as to resignation and removal as the other Directors and if he ceases to hold the office of a Director, he shall, ipso facto and immediately cease to be a Managing Director for any cause.
	c.	Subject to the provisions of the Act, a Director (including any managing Director/ executive Director) shall receive such remunerations as may, from time to time be sanctioned by the Company.
	d.	Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Sections 179 and 180 of the Act, the Board may, from time to time, entrust to and confer upon a managing Director/ executive Director for the time being such of the powers exercisable under these presents by the Board as it may think fit and may confer such powers for such time and be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit and the Board may confer such powers, either collaterally, with, or to

Article	Sub-article	Particulars
		the exclusion of and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.
	e.	Subject to Sections 196 and 197 of the Act, any individual person may be appointed as manager of the Company by the Board on such terms, at such remuneration and upon such conditions as it may think fit and any manager appointed may be removed or dismissed and any other person may be appointed in his place by the Board.
	f.	A Director may be appointed as manager subject to provisions of Sections 166, 188, 196 and 197 of the Act.
52.		The management of the business of the Company shall be vested in the Board and the Board shall have all the powers and be entitled to take all such acts and do all such things as has been prescribed under the Act, or as the Company is by its Memorandum of Association, these Articles or otherwise authorised to do and are not hereby or by any statute directed or required to be exercised or done by the Company in a general meeting, but such exercise of the power shall be nevertheless subject to the provisions of the Act and of the Memorandum of Association, these Articles and to any regulations not being inconsistent with the Memorandum of Association and these Articles from time to time made by the Company in general meeting, provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
Dividends and reserves		
26.		The Company may, if Board deems fit, elect to pay dividends in respect of any partly-paid shares in proportion to the amount paid-up on any such shares.
27.		Any forfeiture of shares in accordance with the Act and Table F shall deem to include forfeiture of all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
56		The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven days from the date of expiry of the thirty (30) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend of Matrimony.com Limited". Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by law. The Company shall comply with the provisions of the Act in respect of any money remaining unpaid with the Company in the nature of:
	i	application moneys received by the Company for allotment of any securities and due for refund has remained unclaimed for a period of seven years;
	ii	deposits received by the Company and due for repayment has remained unclaimed for a period of seven years;
	iii	debentures issued by the Company and matured for redemption has remained unclaimed for a period of seven years;
	iv	the interest, if any, accrued on the amount referred at items (i), (ii) and (iii) respectively;
	v.	sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation for seven years or more;
	vi.	redemption amount of preference shares remaining unpaid or unclaimed for seven or more years; and
	vii.	such other amount that may be prescribed under the Act.

Part II of the Articles provide for all the rights and obligations of the parties to the shareholders agreement entered into with Mayfield XII, Mauritius, Canaan VII Mauritius, Bessemer India Capital Holdings II Ltd., Draper Investment Company, LLC, and The Hartenbaum Revocable Trust, U/A/D 02/03/2006.

Provided that Part II of the Articles shall terminate, cease to remain in effect and deemed to fall away without any further action by any party (including the Company or any of its members) immediately on the commencement of trading of the Equity Shares on any recognized stock exchange.

Article	Sub-article	Particulars
<i>Conversion of Existing Investor Preference Shares</i>		
4.		INDIAN IPO DEMAND RIGHTS
	i.	Primary Issuances: After December 31, 2010, the Initiating Investors shall have the right to require the Company to conduct an Indian IPO (an “Investor Demand Right”) to list the Company’s Equity Shares on an Indian Stock Exchange.
	ii	Secondary Offerings: After December 31, 2010, the Initiating Investors shall also have the right to require the Company to conduct an Indian IPO to offer for sale, at each Initiating Investor’s election, up to the entire amount of the Equity Shares held by such Initiating Investor, subject to Indian Law (an “Investor Secondary Offering Demand Right”).
	iii	Initiating Actions: The Company shall immediately take all necessary steps in accordance with applicable Law and subject to the provisions of these Articles (and any other applicable provision of these Articles) to conduct an Indian IPO upon the occurrence of either of the following:
	a.	Board Resolution: A Board resolution authorizing the Company to file for an Indian IPO, and a subsequent approval of the Shareholders of such resolution of the Board in a general meeting to conduct an Indian IPO as authorized by the Board;
	b.	Demand Notice: The receipt of an Indian IPO Demand Notice pursuant to an Investor Demand Right or Investor Secondary Offering Demand Right on the Company.
	iv.	Indian IPO Demand Notice: Upon the receipt of a written notice executed by the Initiating Investors to the Company (an “Indian IPO Demand Notice”) specifying (i) the Indian Stock Exchanges where they would like the Company to conduct its Indian IPO and (ii) to the extent an Investor Secondary Offering Demand Right is being exercised, the number of Equity Shares held by each Initiating Investor that they would like to offer as a part of the proposed Indian IPO (the “IPO Sale Shares”), the Company shall immediately take all necessary steps to file for an Indian IPO on the Indian Stock Exchanges named in the Indian IPO Demand Notice and to include the IPO Sale Shares as a part of the Indian IPO (to the extent an Investor Secondary Offering Demand Right is being exercised). Steps the Company shall take shall include but not be limited to, nominating a Category I Merchant Bank registered with the SEBI to underwrite the Indian IPO, preparing and filing a prospectus with the SEBI, and applying to and receiving from the Indian Stock Exchanges permission to list the Company’s Equity Shares.
	v.	Company Delay Right: If upon receipt of the Indian IPO Demand Notice, a majority of the Board resolves to exercise its rights under this Article, the Company shall have the right to delay the Indian IPO by not more than sixty (60) calendar days (the “First Delay Period”) from the date of receipt of the Indian IPO Demand Notice.
	vi.	Company Determinations: The Company (in consultation with the lead manager for the Indian IPO, upon a vote of a majority of the Board, shall determine the following matters in connection with the Indian IPO and offer for sale of Equity Shares held by the Investors, as applicable:
	a.	Number of Equity Shares: The number of Equity Shares to be issued by the Company as a fresh issue of Equity Shares by the Company and the number of Equity Shares to be offered for sale by the Investors; provided, however, that if the Indian IPO is pursuant to an Indian IPO Demand Notice and the Indian IPO Demand Notice specifies the number of Equity Shares held by the Investors to be offered as a part of the Indian IPO, such Indian IPO Demand Notice shall be conclusive as to the number of Equity Shares held by the Investors to be included in the Indian IPO;
	b.	Price: The price at which the Equity Shares shall be offered to the public; and
	c.	Agents: The appointment of lead managers, registrars, financial advisors, issue managers and other advisors to the Indian IPO, subject to, in the event of the Initiating Investors exercising the Investor Secondary Offering Demand Right, the lead manager being a Category I Lead Manager (as defined under applicable Indian Law) decided by the Company, with the consent of a majority of the Initiating Investors (which consent shall not be unreasonably withheld).
	vii	Indian IPO Covenants
	a.	The Company and the Shareholders jointly and severally undertake to exercise their respective voting rights (as members or nominators of members of the Board and as shareholders), and to cause the Board to take all steps necessary for the Company to expeditiously prepare for and consummate an Indian IPO within a period of 180 days from the date of the Board resolution pursuant to Article 10 iii. a) or the Indian IPO Demand Notice pursuant to Article 10 iv., as applicable, and to enable the Investors to sell Equity Shares held by them through an Indian IPO, including but not limited to:
	i.	preparing and signing the relevant offer documents;
	ii.	preparing and signing such amendments to the Articles as are required for the Indian IPO;
	iii.	conducting road shows;
	iv.	entering into appropriate and necessary agreements;
	v.	providing all necessary information and documents necessary to prepare the offer documents;

	vi.	conducting all acts necessary to facilitate a sale of Equity Shares held by the Investors;
	vii.	obtaining any necessary regulatory or other approvals; and
	viii.	conducting such further reasonable acts or deeds as may be necessary or are customary in transactions of such nature.
	b.	Listing Requirements: The Company undertakes to ensure compliance with the listing requirements of the Indian Stock Exchanges and all applicable regulatory authorities.
	c.	Compliance with Law: The Company agrees to ensure compliance with all applicable Laws, all applicable provisions of the Act, the SEBI guidelines, the listing agreement of the relevant Indian Stock Exchanges and other regulations prevailing at the time of the Indian IPO.
	d.	Permissions: The Company agrees to the extent necessary, obtain permission from banks and other financial institutions that allow the Company to conduct and consummate an Indian IPO.
	e.	Publicity Materials: The Company shall obtain the prior approval of the Investors to the contents of all materials, representations and information contained in the promotion, publicity and marketing of the Indian IPO, leading to the offering and as well as before or after the completion of the Listing.
	viii.	Expenses: Subject to applicable Law, all expenses incurred in effecting an Indian IPO, including without limitation, statutory filing fees, printing expenses, escrow fees, underwriting fees, listing fees, merchant bankers' fees, bankers' fees, brokerage, commission, publicity charges, fees and disbursements of counsel, accountants and other advisors for the Company, one special counsel jointly appointed by the Investors (whose legal fees shall not exceed \$50,000) and any other costs including such costs that may be incurred due to the changes/modifications of the Law and regulations for the time being in force, shall be borne by the Company.
	ix.	Minimum Offer Size Requirement: In the event that the Company undertakes an Indian IPO, the Promoters undertake to provide such number of Shares as may be required in addition to the Investors' Shares, to fulfill the mandatory minimum offer size requirement under the SEBI Guidelines for achieving the Indian IPO and listing.
	x.	Promoters: The Promoters and the Company undertake, subject to applicable Law, that the Investors shall not be designated as a "promoter" nor shall any declaration or statement be made, either directly or indirectly, in filings with regulatory or governmental authorities, offer documents or otherwise, with a view to ensure that restrictions under the Laws applicable to promoters (including without limitation lock-in restrictions) do not apply to the Investors, which are merely financial investors in and not promoters of the Company..
	xi.	Piggyback Registration Rights:
	a.	In the event that the Company proposes to undertake any public offering of the securities of the Company, the Company shall provide written notice to the Investors at least thirty (30) calendar days prior to the filing of any prospectus, offer document, registration statement or equivalent document in relation to such public offering, by whatever name called, in any jurisdiction, and each Investor shall have the right to include in such public offering all or part of the Investor Shares held by the Investors through an offer for sale of such Investor Shares on the same terms and conditions as the other Shares of the Company. Each Investor shall have twenty-one (21) days from receipt of notice from the Company to inform the Company of its decision to exercise its right under these Articles.
	b.	Upon any of the Investors exercising their right under Article a) above, the Company shall cause the prospectus, offer document, registration statement or equivalent document, which shall include such Investor Shares as are offered by the Investors, to be declared effective by the relevant authority, and to keep the prospectus, offer document, registration statement or equivalent document effective with the relevant authority so long as necessary under applicable Law to permit the transfer of the Investor Shares by the Investors.
	c.	The expenses of preparation and filing of the prospectus, offer document, registration statement or equivalent document shall be borne by the Company and the fees/commission payable to the underwriters appointed for the purposes of this Article shall also be borne by the Company
5.		SPONSORED OFFERING DEMAND RIGHT
	i.	<u>Initiation of Demand:</u> At any time after the first anniversary of the Indian IPO if under applicable Law or due to limited trading volume, volume trading restrictions, or materially increased regulatory or repatriation limitations, the Investors are restricted in any manner from selling the Investor Shares in India, the Initiating Investors may issue a demand in writing to the Company (the "Secondary Offering Demand Notice") requiring the Company to conduct a secondary sponsored offering of ADRs or Global Depositary Receipts ("GDRs") against such number of Equity Shares that are tendered by the Shareholders of the Company including the Investor Shares held by such Investors ("Secondary Offering"). The Secondary Offering Demand Notice shall specify the stock exchange on which the secondary offering of ADRs or GDRs shall be made and the number of Investor Shares such Investors wishes to offer for sale in such offering.

	ii.	Secondary Offering by the Company: Subject only to Article 66 iii., immediately upon receipt of an Secondary Offering Demand Notice, the Company shall forthwith take all steps within its power as may be necessary to undertake a Secondary Offering, as the case may be, against such number of Equity Shares that are tendered by the Shareholders of the Company, subject to and in accordance with applicable Law. Without prejudice to the generality of the foregoing, the Company shall convene meetings of the Board and of the shareholders to get their requisite approvals for the Secondary Offering, providing full details of the offering in the notices calling for such meetings, appoint an investment bank to lead manage the offering, such investment bank to be one which is registered with the appropriate regulatory authority in the jurisdiction where the ADRs or GDRs are to be listed and which shall be acceptable to the Investors who issued the Secondary Offering Demand Notice (“Eligible Investment Banks”), and take all other steps as may be necessary and customary in similar transactions to ensure that the offering is completed and the proceeds of the offering are paid to the Investors within a reasonable time period from the date of the Secondary Offering Demand Notice.
	iii.	Delay Rights of the Company: If upon receipt of the Secondary Offering Demand Notice, (i) two Eligible Investment Banks independently advise the Company and the Board that it is not in the best interests of the Company to conduct the requested registration, if applicable, and offering at that time as a result of adverse market conditions, and (ii) a majority of the Board resolves that undertaking the Secondary Offering would be materially detrimental to the Company, the Company shall have the right to delay the Secondary Offering by not more than sixty (60) calendar days from the date of the Secondary Offering Demand Notice.
	iv.	Costs: Subject to applicable Law, all expenses incurred in effecting a Secondary Offering, including without limitation, statutory filing fees, printing expenses, escrow fees, fees and disbursements of counsel, accountants and other advisors for the Company and fees and disbursements of a single counsel jointly appointed by the Investors (whose legal fees shall not exceed \$50,000), shall be borne by the Company.
	v.	Foreign Shareholding Limit: In the event the Company undertakes Secondary Offering in accordance with the provisions of these Articles, the Company shall ensure that in computing any foreign shareholding limits imposed under applicable Law on the Company for any purpose (other than solely for regulatory reporting purposes), the shareholding held by Investors resident in India shall be deemed to form part of the foreign shareholding in the Company.
	vi.	The Company covenants and agrees that it shall ensure compliance with the laws applicable in the jurisdiction where the Secondary Offering is undertaken and shall indemnify the Investor for any non-compliance thereof.
6.		Indemnification by the Company
	i.	Indemnification
	a.	Indemnification by the Company: To the extent permitted by Law, the Company will indemnify and hold harmless each Investor, each of its officers, directors and partners, legal counsel, and accountants and each Person having Control over such Investor against any and all expenses, claims, demands, assessments, losses, damages, obligations, liabilities, interest and penalties, judgements or actions, proceedings, or settlements in respect thereof, including reasonable fees, disbursements and other charges of counsel (the “Losses”), resulting from (i) any violation by the Company of the provisions of applicable Law; and (ii) any misstatements or misinformation made or given by the Company or any third party in connection with the Indian IPO or in connection with the sale of Equity Shares held by such Investor through an Indian IPO or Secondary Offering pursuant these Articles or a Global IPO pursuant these Articles, unless such Losses are the direct result of a misstatement or misinformation made or given in writing by such Investor for inclusion in the offering documents.
	b.	No Indemnification Among Investors: Notwithstanding anything to the contrary to above, no Investor shall be required to indemnify or hold harmless any other Investor or any such other Investor’s officers, directors, partners, legal counsel and accountants by reason of these Articles.
7.		Special Rights
	i.	The Investor Shares Buyback Option:
	a.	Buyback Election: Subject to applicable Law, at any time after three (3) years from the date of issue of the Series A Preferred Shares, the Series B Preferred Shares, the Series C Preferred Shares and/or the New Equity Shares respectively, each holder of one or more of such of the Series A Preferred Shares, the Series B Preferred Shares, the Series C Preferred Shares and/or the New Equity Shares (excluding the Minority Investors), may, by written request (the “Buyback Election”, and the date of the Buyback Election, the “Buyback Election Date”), require the Company to offer to buyback all or any number of such of the Series A Preferred Shares, the Series B Preferred Shares, the Series C

		Preferred Shares and/or the New Equity Shares (as the case may be) held by such Investor, such buyback to be undertaken in three (3) equal annual instalments as follows: first, forty-five (45) calendar days after the Buyback Election Date; second, on the first anniversary of the Buyback Election Date; and third, on the second anniversary of the Buyback Election Date (each a “Buyback Payment Date”); provided, however, that the holders of the Series A Preferred Shares, the Series B Preferred Shares and/or the Series C Preferred Shares shall, if necessitated by Law, first require the Company to convert all or any number of the Series A Preferred Shares, the Series B Preferred Shares and/or the Series C Preferred Shares (with respect to which a Buyback Election has been made) held by such Investor into Equity Shares at the Series A Conversion Price and/or Series B Conversion Price and/or the Series C Conversion Price, as the case may be, prior to effectuating the buyback. It is hereby clarified that the any of the Major Investors may independently make the Buy Back Election.
	b.	<u>Buyback Price:</u> Subject to applicable Law, the Company shall effect buybacks in response to the Buyback Election on the applicable Buyback Payment Date by paying in cash in exchange for each of the Series A Preferred Shares, the Series B Preferred Shares, the Series C Preferred Shares and/or the New Equity Shares (as the case may be) then outstanding to be bought back, an amount equal to the greater of (i) the Series A Original Issuance Price (applicable in case of the Series A Preferred Shares and the New Equity Shares), the Series B Original Issuance Price and/or the Series C Original Issuance Price (as the case may be), or (ii) the then current fair market value of such Investor Shares (as determined in good faith on the basis of a valuation by a Big Four Accounting Firm (defined in Article 8.iii (c)(II) below) selected by the Board and acceptable to the Major Investors, if the Company and Major Investors cannot otherwise agree upon a fair market value within five (5) calendar days after the Buyback Election Date), in each case plus any declared but unpaid dividends (the “Buyback Price”); provided, however, that the Buyback Price shall not in any event be greater than the maximum price permitted under applicable law. The Investor Shares shall be bought back pursuant to this article from each holder of the Investor Shares electing to participate in such buyback (the “Buyback Participating Investors”) in accordance with Article 8.i c) on a pro-rata basis. Each Major Investor’s pro rata percentage of the Investor Shares that are subject to buyback from each such holder of the Investor Shares on each Buyback Payment Date, shall be equal to the quotient obtained by dividing (i) the total number of the Investor Shares (as the case may be), owned by such holder immediately before the applicable Buyback Payment Date by (ii) the total number of the Investor Shares, owned collectively by all holders of the Investor Shares (as the case may be), electing to participate in such buyback in accordance with Article 8.i c) immediately before such Buyback Payment Date.
	c.	<u>Notice:</u> Within twenty-one (21) calendar days following its receipt of the Buyback Election, the Company shall mail a written notice to each holder of record (as of the close of business on the business day immediately preceding the Buyback Election Date) of the Investor Shares, at the address last shown on the records of the Company for such holder, (i) notifying such holder of the buyback and (ii) specifying the number of the Investor Shares that such holder is entitled to require the Company to buyback at each Buyback Payment Date, the Buyback Price and the place at which payment may be obtained (the “Buyback Notice”). Each holder of the Investor Shares shall have fifteen (15) calendar days from receipt of the Buyback Notice to elect in writing (the “Buyback Acceptance Notice”) to have the Company buyback all of the Investor Shares held by such holder. On or before each Buyback Payment Date, the Company shall, to the extent sufficient funds are legally available, deposit the Buyback Price of all the Investor Shares to be bought back on that Buyback Payment Date with a reputable bank or trust company designated by a majority of the Investors participating in the Buyback, as a trust fund, with irrevocable instructions and authority to the bank or trust company to pay, on and after such Buyback Payment Date, the Buyback Price of the Investor Shares to their respective holders upon the delivery by such Investors of a delivery instruction slip (issued by the depository participant), executed by such Investor instructing the depository participant to tender the Investor Shares held by such Investor to be bought back on such Buyback Payment Date. The balance of any funds deposited by the Company pursuant to this Article 8.i remaining unclaimed at the expiration of four (4) months following such Buyback Payment Date shall be returned promptly by the bank or trust company to the Company.
	d.	<u>Termination of Shareholder Rights:</u> From and after the date when the relevant Shares stand extinguished pursuant to the Company giving effect to the buyback of such Shares pursuant to the Buy Back Election, unless there shall have been a default in payment of the Buyback Price, all rights of the holders of the Investor Shares and designated for buyback in the Buyback Notice on such Buyback Payment Date shall cease for such Investor Shares (except the right to receive the Buyback Price), and such Investor Shares shall not thereafter be deemed to be outstanding for any purpose whatsoever. If the funds of the Company legally available for buyback of the Investor Shares on any Buyback Payment Date are insufficient to buyback the total number of the Investor Shares to be

		bought back on such Buyback Payment Date, those funds which are legally available will be used to buyback the maximum possible number of such Investor Shares rateably among the holders of such Investor Shares to be bought back based upon the total Buyback Price applicable to each such holder's Investor Shares, calculated according to the formula set forth in article 8.i b). The Investor Shares that are not bought back shall remain outstanding and the holders of such outstanding Investor Shares shall be entitled to all the rights and preferences provided herein. At any time thereafter when additional funds of the Company are legally available for the buyback of the Investor Shares, such funds will immediately be used to buyback the balance of the Investor Shares which the Company has become obliged to buyback on any Buyback Payment Date, but which it has not bought back.
	e.	<u>Waiver of Other Shareholders:</u> The rights granted under these Articles shall only be available to the Major Investors. All other holders of the Investor Shares of the Company agree to waive any rights they may have (contractual, statutory or otherwise) to participate in any Buyback.
	f.	<u>Termination:</u> The right to the Buyback Payments under these Articles shall terminate immediately after each Investor that elected to participate in the Buyback receive aggregate payments equal to the Buyback Price for the Investor Shares held by such Investor.
	g.	It is hereby clarified that the Buy Back Election under these Articles may only be made by the Major Investors.
	ii.	Dividend Rights:
	a.	<u>Investor Preferred Shares:</u> The record holders of the Investor Preferred Shares, on a pari passu basis with holders of any Equity Shares, shall be entitled to receive, when, as and if declared by the Board, but only out of funds that are legally available therefore, dividends on their Investor Preferred Shares on a share-for-share basis with the holders of the Equity Shares. The right to receive dividends on any Investor Preferred Shares shall not be cumulative, and no right to such dividends shall accrue to holders of the Investor Preferred Shares because dividends on said shares are not declared in any calendar year.
	b.	<u>Payment of Dividends:</u> Any dividends declared or paid in any Fiscal Year shall be declared or paid among the holders of the Investor Preferred Shares and Equity Shares then outstanding in proportion to the greatest whole number of Equity Shares (which in case of the Investor Preferred Shares, shall be on a Fully Diluted Basis and with one-half being rounded upward) held by each such holder.
	iii.	<u>Right to Receive Bonus Shares:</u>
		The Parties agree that the record holders of Investor Preferred Shares, on a pari passu basis with holders of any Equity Shares, shall be entitled to receive, when, as and if declared by the Company, bonus shares on their Investor Preferred Shares on a share-for-share basis with the holders of the Equity Shareholders.
	iv.	Liquidation Rights:
	a.	<u>Liquidation Preference:</u> Upon any Liquidation, the Shareholders agree that, subject to applicable laws, the then current holders of the Investor Shares shall receive pursuant to (i) a redistribution among the Shareholders, out of the assets or surplus funds of the Company distributed by the Company in case of any dissolution, liquidation or winding up of the Company but after any distribution by the Company of such assets among, or payment thereof over to, creditors of the Company, if any, or (ii) a redistribution among the Shareholders, out of the proceeds received pursuant to a Change in Control, before any payment or distribution shall be made to any other holders of Equity Shares or any other shares or securities, an amount for each Investor equal to the sum of (i) 1.5 x (One Point Five times) the Series A Original Issuance Price for the Series A Preferred Shares and the New Equity Shares or 1.5 x (One Point Five times) the Series B Original Issuance Price for the Series B Preferred Shares (as the case may be) or 1.5 x (One Point Five times) the Series C Original Issuance Price for the Series C Preferred Shares (as the case may be), plus (ii) any declared but unpaid dividends on such Investor Shares (collectively, the "Investor Shares Liquidation Amount") (the payment of such Investor Shares Liquidation Amount shall be referred to herein as the "Investor Shares Liquidation Distribution"). The Investor Shares Liquidation Amount to be paid out in respect of the Series B Preferred Shares and/or the Series C Preferred Shares and/or the New Equity Shares will be pro rata and pari passu to that of the Investor Shares Liquidation Amount to be paid out in respect of the Series A Preferred Shares. If the assets distributable to holders of any Investor Shares upon such Liquidation shall be insufficient to pay the Investor Shares Liquidation Amount to the holders of all Investor Shares, then the Shareholders agree that such assets or the proceeds thereof shall be distributed among the holders of the Investor Shares in proportion to the respective amounts to which they otherwise would be entitled. Each of the holders of Investor Shares may elect to waive such holder's right to the Investor Shares Liquidation Distribution and elect to instead receive their pro rata portion of the Equity Shares Liquidation Distribution (as defined below).
	b.	<u>Equity Shares Liquidation Distribution:</u> After the Investor Shares Liquidation Distribution (as

		otherwise applicable) pursuant to 8.iii a), the Shareholders agree that the entire remaining assets of the Company available for distribution to the Shareholders shall be distributed with equal priority and pro rata among the holders of the Equity Shares, which shall include the holders of the New Equity Shares only in the event that upon any Liquidation, due to any reason, no liquidation preference has been received by the holders of the New Equity Shares, pursuant to Article 8.iii a), above (the “Equity Shares Liquidation Distribution”), provided, however, that in the event any of the holders of Investor Shares have waived their rights to receive any Investor Shares Liquidation Distribution and elected to instead receive their pro rata portion of the Equity Shares Liquidation Distribution pursuant to Article 8.iii b), the holders of any Investor Shares shall be regarded as holders of Equity Shares on a Fully Diluted Basis for purposes of these Articles.
	c.	Valuation of Non-Cash Property: Whenever any distribution provided for in this Article 13 ii. shall be payable in securities or property other than cash, then the Shareholders agree that the value of such distribution shall be the fair market value of such distribution as determined in good faith by the Board (including the affirmative vote of the Investor Directors (as defined below)), except that any securities to be distributed to Shareholders will be valued as follows, provided, however, that if the distribution being valued pursuant to this Article is made in connection with a Change in Control, and the definitive transaction documents for such Change in Control provide for a different method of valuation, the method of valuation set forth in such documents, not the provisions of this Article c), shall control:
	I	Securities not subject to restrictions on free marketability: If traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the thirty (30)-day period ending three (3) calendar days before the closing; and If actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever are applicable) over the thirty (30)-day period ending three (3) calendar days before the closing.
	II	The method of valuation of securities subject to restrictions on free marketability (other than restrictions arising solely because of a shareholder’s status as an affiliate or former affiliate of the Company) or that are otherwise illiquid shall be to make an appropriate discount from the market value determined as above in Articles 8 ii. c) I. A) and 8 ii. c) I. B) to reflect the approximate fair market value thereof, as determined in good faith by a Big Four Accounting Firm selected by the Board, including the affirmative vote of the Investor Directors. For purposes hereof, “Big Four Accounting Firm” means such Indian firms of chartered accountants as are associated with Deloitte & Touche, Ernst & Young, KPMG or PricewaterhouseCoopers and their respective successors.
	III	For purposes of this Article III, the Promoters hereby acknowledge and agree to the Investors’ right to liquidation preference on the Investor Shares respectively and agree to hold all amounts received by them (pursuant to a Liquidation Event) in trust for and on behalf of the Investors. The Promoters further covenant that each of them shall Transfer any proceeds received by them from the Company in the event of a Liquidation Event to the Investors so as to give effect to the provisions of this Article III.
	v.	Conversion:
	a.	Right to Convert: Each share of the Investor Preferred Shares respectively shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Company, into such number of fully paid and non-assessable shares of Equity Shares as is determined by the following formula:
		$A = B \times (D/C)$ Where: A = The number of Equity Shares into which the Series A Preferred Shares, the Series B Preferred Shares, and/or Series C Preferred Shares, shall convert into; B = The number of Series A Preferred Shares, the Series B Preferred Shares, and/or Series C Preferred Shares, as the case maybe prior to conversion; C = The Series A Conversion Price for the Series A Preferred Shares, or the Series B Conversion Price for the Series B Preferred Shares, or the Series C Conversion Price for the Series C Preferred Shares (as the case may be), as on the date of in effect on the date the Series A Preferred Shares, Series B Preferred Shares or Series C Preferred Shares as the case may be, are surrendered for conversion; D = The Series A Original Issuance Price for the Series A Preferred Shares, or the Series B Original Issuance Price for the Series B Preferred Shares, or the Series C Original Issuance Price for the Series

		C Preferred Shares (as the case may be), as on the date of issuance of each of the Series A Preferred Shares, the Series B Preferred Shares and the Series C Preferred Shares respectively; and as determined as hereafter provided.
	c.	<u>Automatic Conversion:</u> Each share of the Investor Preferred Shares shall automatically be converted into shares of Equity Shares respectively at the Series A Conversion Price or the Series B Conversion Price or the Series C Conversion Price (as the case may be) at the time in effect for such share of the Investor Preferred Shares immediately upon the earlier of (i) the latest date on which the Investor Preferred Shares are required to be converted into Equity Shares in terms of applicable Law in connection with an Indian IPO or Global IPO at a public offering price equal to or exceeding 1.5x (one and half times) the Series C Original Conversion Price per Equity Share and in which offering the aggregate proceeds to the Company are not less than \$40,000,000 (United States Dollars Forty Million) (before deduction of underwriting commissions and expenses) or (ii) the date specified by written consent or agreement of any of the holders of the then outstanding Investor Preferred Shares (with respect to their respective Shares). Without prejudice to the above, the Series B Preferred Shares and/or the Series C Preferred Shares shall be automatically converted into Equity Shares on the twentieth anniversary of the date of issue and allotment of the Series B Preferred Shares and/or the Series C Preferred Shares respectively.
	d.	<u>Mechanics of Conversion:</u> Before any holder of the Investor Preferred Shares shall be entitled to convert the same into Equity Shares, he or she shall surrender the certificate or certificates therefore, duly endorsed, at the office of the Company (or notify the depository, if such Investor Preferred Shares are held in dematerialized form), and shall give written notice to the Company at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the shares of Equity Shares are to be issued and whether he or she desires to hold the Equity Shares in physical or dematerialized form. The Company shall, as soon as practicable thereafter, issue and deliver at such office to such holder of the Investor Preferred Shares, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Equity Shares to which such holder shall be entitled as aforesaid; provided, however, that if the holder of any Investor Preferred Shares elects to hold the converted Equity Shares in a dematerialized form, the Company shall intimate the depository the details of allotment of the Equity Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Equity Shares. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of the Investor Preferred Shares to be converted (or notification, in the case of the dematerialized Investor Preferred Shares), and the person or persons entitled to receive the shares of Equity Shares issuable upon such conversion shall be treated for all purposes as the record owners or beneficial owner, as the case may be, of such shares of the Equity Shares as of such date. If the conversion is in connection with an Indian IPO, the conversion may, at the option of any holder tendering any Investor Preferred Shares for conversion, be conditioned upon the closing with the underwriters of the sale of Equity Shares pursuant to such Indian IPO, in which event the persons entitled to receive the Equity Shares upon conversion of the Investor Preferred Shares shall not be deemed to have converted such Investor Preferred Shares until immediately prior to the closing of such sale of securities.
	vi.	Anti-Dilution Rights:
	a.	Adjustments for Diluting Issues:
	I.	Special Definition: For purposes of this Article V, "Additional Equity Shares" means all Equity Shares issued (or, pursuant to this Article V, deemed to be issued) by the Company, other than issuances or deemed issuances of: A) <i>Equity Shares and Convertible Securities issued pursuant to the ESOP under the stock option plan set forth in Article 11((x));</i> B) <i>Equity Shares issued or issuable on a bonus issue of shares so long as such bonus is issued to all holders of the Investor Preferred Shares and the Equity Shares in proportion to their shareholding in the Company;</i> C) <i>Equity Shares issued or issuable upon conversion of the Investor Preferred Shares; and</i> Equity Shares issued in an Indian IPO or Global IPO
	b.	<u>Deemed Issue of Additional Equity Shares:</u> In the event the Company at any time shall issue any Convertible Securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any Convertible Securities, then the maximum number of Equity Shares (as set forth in the instrument relating thereto without regard to any provisions contained therein for a subsequent adjustment of such number) issuable upon the conversion or exchange of such

		Convertible Securities or, in the case of options for Convertible Securities, the exercise of such options and the conversion or exchange of the underlying securities, shall be deemed to have been issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which shares are deemed to be issued: no further adjustment shall be made upon the subsequent issue of Convertible Securities or Equity Shares in connection with the exercise of such options or conversion or exchange of such Convertible Securities; if such options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any change in the consideration payable to the Company or in the number of Equity Shares issuable upon the exercise, conversion or exchange thereof (other than a change pursuant to the anti-dilution provisions of such options or Convertible Securities such as these Articles or pursuant to recapitalization provisions of such options or Convertible Securities such), the adjustment and any subsequent adjustments based thereon shall be recomputed to reflect such change as if such change had been in effect as of the original issue thereof (or upon the occurrence of the record date with respect thereto); upon the expiration of any such options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the adjustment computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto) and any subsequent adjustments based thereon shall, upon such expiration, be recomputed as if: in the case of Convertible Securities or options for Equity Shares, the only Additional Equity Shares issued were the Equity Shares, if any, actually issued upon the exercise of such options or the conversion or exchange of such Convertible Securities and the consideration received therefore was the consideration actually received by the Company for the issue of such exercised options plus the consideration actually received by the Company upon such exercise or for the issue of all such Convertible Securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Company upon such conversion or exchange; and in the case of options for Convertible Securities, only the Convertible Securities, if any, actually issued upon the exercise thereof were issued at the time of issue of such options, and the consideration received by the Company for the Additional Equity Shares deemed to have been then issued was the consideration actually received by the Company for the issue of such exercised options, plus the consideration deemed to have been received by the Company (determined pursuant to these Articles upon the issue of the Convertible Securities with respect to which such options were actually exercised); and if such record date shall have been fixed and such options or Convertible Securities are not issued on the date fixed therefore, the adjustment previously made which became effective on such record date shall be cancelled as of the close of business on such record date, and thereafter shall be adjusted pursuant to these Articles as of the actual date of their issuance.
	c.	Adjustment Upon Issuance of Additional Equity Shares:
	I.	If the Company shall issue, on and after the date hereof, any Additional Equity Shares without consideration or for a consideration per share less than the Series A Conversion Price in effect immediately prior to the issuance of such Additional Equity Shares, the Series A Conversion Price for such series in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this Article 18 v. c) be adjusted to a price determined by multiplying such Series A Conversion Price by a fraction, (i) the numerator of which shall be the number of shares of Equity Shares outstanding immediately prior to such issuance (including shares of Equity Shares deemed to be issued pursuant to Article 8(v)(b)) plus the number of shares of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at such Series A Conversion Price and (ii) the denominator of which shall be the number of shares of Equity Shares outstanding immediately prior to such issuance (including shares of Equity Shares deemed to be issued pursuant to Article 8(v)(b)) plus the number of shares of such Additional Equity Shares. Notwithstanding the foregoing, the holders of seventy-five percent (75%) of the Series A Preferred Shares may elect to waive the Series A Conversion Price adjustment set forth herein.
	II.	If the Company shall issue, on and after the date hereof, any Additional Equity Shares without consideration or for a consideration per share less than the Series B Conversion Price in effect immediately prior to the issuance of such Additional Equity Shares, the Series B Conversion Price for

		such series in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this Article)) be adjusted to a price determined by multiplying such Series B Conversion Price by a fraction, (i) the numerator of which shall be the number of shares of Equity Shares outstanding immediately prior to such issuance (including shares of Equity Shares deemed to be issued pursuant to these Articles plus the number of shares of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at such Series B Conversion Price and (ii) the denominator of which shall be the number of shares of Equity Shares outstanding immediately prior to such issuance (including shares of Equity Shares deemed to be issued pursuant to these Articles plus the number of shares of such Additional Equity Shares. Notwithstanding the foregoing, the holders of seventy-five percent (75%) of the Series B Preferred Shares may elect to waive the Series B Conversion Price adjustment set forth herein.
	III.	If the Company shall issue, on and after the date hereof, any Additional Equity Shares without consideration or for a consideration per share less than the Series C Conversion Price in effect immediately prior to the issuance of such Additional Equity Shares, the Series C Conversion Price for such series in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in these Articles) be adjusted to a price determined by multiplying such Series C Conversion Price by a fraction, (i) the numerator of which shall be the number of shares of Equity Shares outstanding immediately prior to such issuance (including shares of Equity Shares deemed to be issued pursuant to Article 8(v)(b)) plus the number of shares of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at such Series C Conversion Price and (ii) the denominator of which shall be the number of shares of Equity Shares outstanding immediately prior to such issuance (including shares of Equity Shares deemed to be issued pursuant to Article 8(v)(b)) plus the number of shares of such Additional Equity Shares. Notwithstanding the foregoing, the holders of seventy-five percent (75%) of the Series C Preferred Shares may elect to waive the Series C Conversion Price adjustment set forth herein.
	d.	Determination of Consideration: For purposes of this Article V, the consideration received by the Company for the issue (or deemed issue) of any Additional Equity Shares shall be computed as follows:
	I.	Cash and Property: Such consideration shall: A) <i>insofar as it consists of cash, be computed at the aggregate amount of cash received by the Company before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by the Company for any underwriting or otherwise in connection with such issuance;</i> B) <i>insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and</i> C) <i>in the event Additional Equity Shares are issued together with other shares or securities or other assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in A) and B) above, as reasonably determined in good faith by the Board.</i>
	II.	Convertible Securities: The consideration per share received by the Company for Additional Equity Shares deemed to have been issued shall be determined by dividing: A) <i>(x): the total amount, if any, received or receivable by the Company as consideration for the issue of such options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Company upon the exercise of such options or the conversion or exchange of such Convertible Securities, or in the case of options for Convertible Securities, the exercise of such options for Convertible Securities and the conversion or exchange of such Convertible Securities, by</i> B) <i>(y): the maximum number of Equity Shares (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such options or the conversion or exchange of such Convertible Securities.</i>
	e.	<u>Adjustments for Reclassification, Exchange and Substitution:</u> If the Equity Shares shall be changed into the same or a different number of shares of any other class or classes of stock, whether by capital reorganization, reclassification or otherwise, then, in any such event, the Investors shall be entitled to

		such number and class of shares that would place the Investor in the same position relative to all other shareholders as Investors was immediately before such reorganization or reclassification.
	f.	<u>No Impairment</u> : The Company will not through any amendment of its Articles or Memorandum or any reorganization, transfer of assets, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company but will at all times in good faith assist in the carrying out of all the provisions Article 8 v. and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Investors against impairment.
	g.	<u>Certificate as to Adjustments</u> : Upon the occurrence of each adjustment or readjustment pursuant to Article 8 v., the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each Investor a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based along with stock certificates evidencing such adjustment. The Company shall, upon the written request at any time of the Investor, furnish or cause to be furnished to such Investor a like certificate setting forth such adjustments and readjustments and the number of Equity Shares and the amount, if any, of other property which at the time would be received upon the adjustment.
	h.	<u>Reservation of Stock Issuable Upon Adjustment</u> : The Company and all shareholders shall take all reasonable actions to at all times reserve and keep available out of its authorized but unissued Equity Shares solely for the purpose of effecting an adjustment pursuant to Article 8 v., such number of its Equity Shares as shall from time to time be sufficient to effect an adjustment; and if at any time the number of authorized but unissued Equity Shares shall not be sufficient to effect an adjustment, the Company and all shareholders agree to take such corporate action as may be necessary to increase its authorized but unissued Equity Shares to such number of Equity Shares as shall be sufficient for such purpose.
	vii.	Voting Rights:
	a.	The holder of each share of Series A Preferred Shares, or Series B Preferred Shares or Series C Preferred Shares shall have the right to one vote for each share of Equity Share into which such Series A Preferred Shares, or Series B Preferred Shares or Series C Preferred Shares could then be converted, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Equity Shares, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting, and shall be entitled to vote, together with holders of Equity Shares, with respect to any question upon which holders of Equity Shares have the right to vote. Fractional votes shall not, however, be permitted and any fractional voting rights available on a Fully Diluted Basis (after aggregating all shares into which shares of the Series A Preferred Shares, or Series B Preferred Shares or Series C Preferred Shares held by each holder could be converted) and shall be rounded to the nearest whole number (with one-half being rounded upward).
	b.	The Company and the Promoters acknowledge that the Investors have agreed to subscribe to the Investor Shares on the basis that they will be able to exercise voting rights on the Investor Shares as if the same were converted into Equity Shares, as applicable, and towards the same agrees that in the event that (a) the Company is converted from a private company to a public company; or (b) Article 8 vi. above becomes unenforceable under applicable Law, until the earlier of buy-back of the Investor Shares or conversion of the Investor Shares into Equity Shares, the Promoters shall vote in accordance with the instructions of the Investors at a General Meeting or provide proxies without instructions to the Investors for the purposes of a General Meeting, in respect of such number of Equity Shares held by each of them such that X% (X percent) of the Equity Shares of the Company are voted on in the manner required by the Investors; provided X percent shall be equal to the percentage of Equity Shares in the Company that the Investors would hold if it were to elect to convert its Investor Shares into Equity Shares in accordance with these Articles.
9		Pre-emptive Right
	i.	Pre-emptive Right to Investors: The Company hereby grants to each Investor the pre-emptive right to purchase its pro rata share, either by itself or through a fund managed by the investment manager of such Investor, of New Securities which the Company may, from time to time, propose to allot and issue, to such parties as determined by the Company, after the date of execution of the Agreement. An Investor's pro rata share, for purposes of this pre-emptive right, is equal to the ratio of (a) the number of Equity Shares owned by such Investor immediately before the issuance of New Securities (assuming conversion or exercise of all outstanding Convertible Securities, directly or indirectly, into Equity Shares held by said Investor) to (b) the total number of Equity Shares outstanding immediately before the issuance of New Securities (assuming conversion or exercise of all of the Company's outstanding Convertible Securities). Each Investor shall have a right of over-allotment such that if any Investor fails to exercise its right hereunder to purchase its pro rata share of New Securities,

		the other Investor may purchase the non-purchasing Investor's portion on a pro rata basis. For purposes of these Articles, all securities held by Affiliates of an Investor shall be aggregated for purposes of determining the availability of rights hereunder, including without limitation, the determination as to whether an Investor qualifies as an Investor. To the extent possible under Law, in case the New Securities may be represented by American Depositary Shares, the Investors shall have the right to cause the Company to issue new American Depositary Shares evidencing Equity Shares. This pre-emptive right shall be subject to the following provisions:
	a.	Notice: If the Company proposes to issue New Securities, it shall give each Investor written notice of its intention, describing the type of New Securities, and their price and the general terms upon which the Company proposes to issue the same. Each Investor shall have twenty-one (21) calendar days after any such notice received to agree to purchase such Investor's pro rata share of such New Securities and to indicate whether such Investor desires to exercise its over-allotment option for the price and upon the terms specified in the notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased.
	b.	Issuances to Parties: If the Investors fail to exercise fully the pre-emptive right and over-allotment rights, if any, within said twenty-one (21) day period (the "Election Period"), the Company shall, (subject to approval of the Board, including the affirmative vote of all Investor Directors), have ninety (90) calendar days thereafter to allot or enter into an agreement to allot (pursuant to which the sale of New Securities covered thereby shall be closed, if at all, within ninety (90) calendar days from the date of said agreement) that portion of the New Securities with respect to which the Investors' pre-emptive right option set forth in Article 10 was not exercised, at a price and upon terms no more favourable to the purchasers thereof than specified in the Company's notice to Investors delivered pursuant to this Article 10 i. a). If the Company has not allotted within such ninety (90) day period following the Election Period, or such ninety (90) day period following the date of said agreement, the Company shall not thereafter allot any New Securities, without first again offering to allot such securities to the Investors in the manner provided in this Article . The closing of the sale of New Securities to the Investors and other purchasers shall occur simultaneously.
	c.	Termination: The rights granted under these Articles shall expire immediately following the occurrence of a Liquidity Event.
	10.	Other Covenants
	i.	Board Matters:
	a.	Committees: The Company shall establish a Compensation Committee and Audit Committee of the Board. Each Major Investor shall have the right to appoint one Investor Director on at least one committee of the Board (each). Provided however that the majority of the members in the committees shall comprise Directors other than the Promoter Directors.
	b.	Boards of Subsidiaries: Each subsidiary of the Company shall have a board of directors which is the same size as the Company's Board and which shall be comprised of the same individual directors as serve on the Company's Board from time to time provided, however, that nothing contained in this Article 16 i. b) shall prevent the Company from nominating (i) any Independent member to the board of a subsidiary in place of the Independent Designees or (ii) any nominees of any lenders of the applicable subsidiary to the board of a subsidiary in place of the Independent Designees.
	ii.	Quorum: On the date of any meeting of the Board or a committee thereof called to consider any action or resolution, regarding matters relating to the provisions set forth in Article 18 i. a), a quorum shall require and include the presence of both the Investor Directors appointed by the Mayfield Investor and the Canaan Investor, in order to constitute a valid quorum for such meeting (a "Valid Quorum"); regarding matters relating to provisions set forth in Article 18 i. b), a quorum shall require and include the presence of all the Investor Directors appointed by the Major Investors in order to constitute a Valid Quorum; and regarding matters other than those relating to the provisions set forth in Article 18, a quorum shall require and include the presence of at least two of the Investor Directors appointed by the Major Investors. If on the date of the Board/committee meeting, a Valid Quorum is not present, the said meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week ("First Adjourned Meeting"). If, on the date of the First Adjourned Meeting, a Valid Quorum is not present, the said meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week ("Second Adjourned Meeting"). In the event of a failure to constitute a Valid Quorum in any Second Adjourned Meeting the Directors present at such meeting shall constitute the quorum save and except with respect to the Investor Protective Provisions.
	iii	Directors and Officers Insurance: The Company shall maintain directors and officers insurance in an amount and with a carrier determined to be satisfactory to the Investors (provided that such insurance shall be for a minimum amount of Rs. 50,000,000). The directors and officers insurance coverage shall be reviewed by the Board of Directors and the Board

		shall enhance the coverage under such insurance on an annual basis.
	iv	<u>Indemnification Agreement:</u> The Company shall enter into an Indemnification Agreement, in the form satisfactory to the Investors, with each Investor and its Affiliates, including the Investor Directors, which shall, subject to applicable Law, provide for indemnification from the Company for all liabilities to which the Investors and such Affiliates may be subject. If a Change in Control occurs, the Company shall take all reasonable efforts to ensure that successors of the Company assume the Company's obligations in effect prior to such Change in Control with respect to indemnification of directors of the Company prior to such Change in Control, including without limitation maintaining in place on existing terms any "tail" or other insurance coverage in effect prior to such Change in Control applicable to claims made following such Change in Control.
	v.	<u>Indemnification of Directors:</u> Subject to the provisions of, and so far as may be permitted by Law, every director, auditor, company secretary, employee or other officer shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him or her in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as director, auditor, company secretary or officer of the Company in which he is not found guilty of any negligence, default, breach of duty misfeasance or breach of trust or in which he is acquitted or in connection with any statute for relief from liability in respect of any such act or omission in which relief is granted to him by a court of competent jurisdiction.
	vi.	<u>Officers in default:</u> Each of the Investors shall not be identified as an officer in default of the Company, or occupiers of any premises used by the Company or employers under Applicable Laws. Further, the Promoters and the Company undertake to ensure that the other Directors or suitable persons are nominated as officers in default, occupiers and/or employers, as the case may be, in order to ensure that none of the Investor Directors incur any liability.
	vii	<u>Key Person Insurance:</u> The Company shall maintain a key person life and disability insurance on the Promoter with proceeds payable to the Company in a coverage amount as determined by the Board of Directors.
	viii	<u>General Liability Insurance:</u> The Company shall maintain an insurance policy covering, including without limitation, any misstatements and misinformation that may be uploaded on to any of the websites of the Company, by any user of the Company's websites, in a coverage amount as may be determined by the Board of Directors.
	ix	<u>Proprietary Rights Agreements:</u> The Company shall cause each person who becomes a director, officer or employee of the Company, to execute a Proprietary Information and Inventions Agreement.
	x.	<u>Stock Option Plan:</u> The Company shall establish and maintain a stock option plan for the issuance of stock options to employees and consultants to the Company. The Company will not issue or sell more than 71,897 shares to employees, officers and/or directors of, and/or consultants to, the Company or any subsidiary of the Company pursuant to the exercise of options granted under the Company's employee stock option plan or pursuant to other stock incentive arrangements (including, but not limited to, so-called "restricted stock").
	xi.	<u>Other Investments:</u> The Company and the Promoter hereby covenant that if at any time after the date hereof, (i) any of the Investors and/or their Affiliates wish to invest in any Indian company or enter into a technology transfer or trademark or brand name agreement in the same field in India, the Promoter and the Company shall cooperate with, and assist, the Investor and its Affiliates in obtaining any government or other approvals that may be required for the Investor or any of its Affiliates to invest in the Indian Company or to enter into such an agreement. The Promoter and the Company shall be deemed to have hereby consented to the investment in the Indian company (whether in the same or allied field as the business of the Company) or entering into of any such agreement, and if any further consent of such parties are necessary under applicable Law, the Promoter and his Affiliates agree that they shall not withhold or delay such consent and shall within five (5) Business Days of receipt of such a request from an Investor or any of its Affiliates, the Promoter or the Company, as the case may be, shall issue its consent to such Investor (or its Affiliate, as the case may be), in such form as the applicable Law or the Government of India may require.
	xii	<u>Arms' Length Transactions:</u> The Company shall ensure that all transactions between the Company and its Affiliates or any other related party transaction shall be disclosed to the Investors in writing prior to entering into such transaction and shall be entered into on terms that are equivalent to those that would be obtained in an arms' length arrangement and that all such transactions shall be approved by a disinterested majority of the Board.
	xiii	<u>Compliance with Laws:</u> The Company shall, and shall ensure that each of its subsidiaries shall,

		at all times comply with all applicable Laws in all jurisdictions in which it or each of its subsidiaries carries on business. The Company shall, and shall ensure that each of its subsidiaries shall, at all times comply with all conditions imposed by any governmental authority for the continuance of any license or Consent issued to the Company or any of its subsidiaries.
	xiv	<u>Protection of Assets:</u> The Company shall, and shall ensure that each of its subsidiaries shall, at all times, take adequate measures as may be necessary to protect all intellectual property owned by the Company and/or each of its subsidiaries, and that the Company and each of its subsidiaries does not infringe or violate the intellectual property of any third party.
	xv	<u>Taxes:</u> The Company shall, and shall ensure that each of its subsidiaries shall, at all times, timely pay its Taxes and timely file its tax returns on time in every jurisdiction where any Taxes are payable or tax returns are required to be filed.
	xvi	<u>Adequate Insurance:</u> The Company shall, and shall ensure that each of its subsidiaries shall, at all times, maintain adequate comprehensive risk and business interruption risk and calamity insurance cover with respect to the Company's and each subsidiary's assets and business, and to maintain all other forms of insurance cover required by applicable Law to be maintained.
	xvii	<u>Holding Companies:</u> If there is a capital restructuring of the Company whereby a holding company is formed for the exclusive purpose of holding shares in the Company, the Investors shall retain the right to transfer their shareholdings to the holding company such that they receive a shareholding in such holding company which gives the shareholders a beneficial interest in the Company which is equivalent to their actual interest in the Company at the time of the capital restructuring and continues to provide the Investors with their rights under these Articles. The Company shall bear all stamp duty costs that may arise as a result of the above restructuring and transfer.
	xviii	<u>Non-Promoter Status:</u> The Promoter and the Company agree and acknowledge that each Investor is not a promoter of the Company as defined in applicable Law, and the Company shall, and the Promoter shall use his best efforts to cause the Company to, take all reasonable actions necessary to prevent any Investor from being deemed or named as a "promoter" in connection with an Indian IPO or otherwise or be subject to the restrictions on promoters specified in the SEBI guidelines or other applicable Law. For the avoidance of doubt, the parties agree and undertake that no Investor shall be required to offer or make available their shares in the Company for the purposes of any mandatory lock-in as applicable to 'promoters' under the SEBI guidelines or other applicable Law.
	xx	<u>Future Non-competition:</u> The Company shall (i) use its best efforts to insure that no person employed by the Company will wrongfully employ any confidential information or documentation proprietary to any former employer, (ii) protect, by maintenance of secrecy to the extent appropriate, all technical and business information developed by and belonging to the Company which has not been patented, (iii) cause to be patented all technological information developed by and belonging to the Company, which, in the opinion of the Company and its counsel, is patentable and is best protected by patenting and (iv) use its best efforts to own, possess and maintain all patents, trademarks, service marks, trade names, copyrights and licenses necessary or useful in the conduct of its business.
	xxi	<u>Maintenance of Corporate Existence:</u> Unless otherwise determined by the Board, each of the Company and its subsidiaries will preserve, renew and keep in full force and effect, its corporate existence, qualification in requisite jurisdictions and rights and privileges necessary or desirable in the normal conduct of its business.
	xxii	<u>U.S. Subpart F Income:</u> In the event that the Company becomes a controlled foreign corporation for U.S. federal tax purposes, the Company shall use its commercially reasonable effort to avoid triggering U.S. Subpart F income for its U.S. shareholders as defined by the U.S. Internal Revenue Code Section 951(b) and the U.S. Treasury Regulations thereunder.
	a.	The Company shall not, without the written consent of all the Major Investors, issue or transfer securities in the Company to any Investor if following such issuance or transfer the Company, in the determination of counsel or accountants for Investor, would be a "Controlled Foreign Corporation" ("CFC") as defined in the U.S. Internal Revenue Code of 1986, as amended (or any successor thereto) (the "Code") with respect to the securities held by the Major Investors. No later than two (2) months following the end of each Company taxable year, the Company shall provide the following information to the Major Investors: (i) the Company's capitalization table as of the end of the last day of such taxable year; and (ii) a report regarding the Company's status as a CFC. In addition, the Company shall provide the Major Investors with access to such other Company information as may be required by the Major Investors to determine the Company's status as a CFC to determine whether the Major Investors are required to report its pro rata portion of the Company's "Subpart F income" (as defined in Section 952 of the Code) on its United States federal income tax return, or to allow the

		Major Investors to otherwise comply with applicable United States federal income tax laws. The Company shall make due inquiry with its tax advisors on at least an annual basis regarding its status as a CFC and regarding whether any portion of the Company's income is Subpart F income. In the event that Company is determined by the Company's tax advisors or by counsel or accountants for the Major Investors to be a CFC with respect to the securities held by the Major Investors, the Company agrees to use commercially reasonable efforts to avoid generating Subpart F income. In the event that Company is determined by counsel or accountants for the Major Investors to be a CFC with respect to the securities held by the Major Investors, Company agrees, to the extent permitted by Law, to annually make dividend distributions to the Major Investors in an amount equal to 50% of any income deemed distributed to the Major Investors pursuant to Section 951(a) of the Code.
	b.	The Company will not be at any time during the calendar year in which the Closing occurs a "passive foreign investment company" within the meaning of Section 1297 of Code (a "PFIC"). The Company shall use its best efforts to avoid being a Code (a "PFIC"). The Company shall make due inquiry with its tax advisors on at least an annual basis regarding its status as a PFIC, and if the Company is informed by its tax advisors that it has become a PFIC, or that there is a likelihood of the Company being classified as a PFIC for any taxable year, the Company shall promptly notify the Major Investors of such status or risk, as the case may be. In connection with a "Qualified Electing Fund" election made by any of the Major Investors pursuant to Section 1295 of the Code or a "Protective Statement" filed by any of the Major Investors pursuant to Treasury Regulation Section 1.1295-3, as amended (or any successor thereto), the Company shall provide annual financial information to the Major Investors in the form provided in the attached PFIC Exhibit (attached hereto as Exhibit E) as soon as reasonably practicable following the end of each taxable year of the respective Major Investor (but in no event later than 90 days following the end of each such taxable year), and shall provide the Major Investors with access to such other Company information as may be required for purposes of filing U.S. federal income tax returns in connection with such Qualified Electing Fund election or Protective Statement. In the event that any of the Major Investors has made a "Qualified Electing Fund" election must include in its gross income for a particular taxable year its pro rata share of the Company's earnings and profits pursuant to Section 1293 of the Code, the Company agrees to make a dividend distribution to the respective Major Investor (no later than 90 days following the end of such Major Investor's taxable year or, if later, 90 days after the Company is informed by such Major Investor that such Major Investor has been required to recognize such an income inclusion) in an amount equal to 50% of the amount so included by such Major Investor.
	xxiii	<u>Change in Control Transactions:</u> In the event of a Change in Control transaction to which the Company or any Shareholder is a party in which any Shareholder is to receive cash, stock or other consideration in exchange for such Shareholder's Equity Shares or Investor Preferred Shares, the terms of such Change in Control transaction shall provide that all Investors shall have the right to tender their Investor Shares for the consideration issuable to any Shareholder in such Change in Control transaction.
11		RESTRICTIONS ON TRANSFER
	i.	<u>General Restrictions on Transfer:</u> The holder of each Equity Share or Investor Preferred Shares by acceptance thereof agrees to comply in all respects with the provisions of these Articles. Each Shareholder agrees not to make any Transfer of all or any portion of the Equity Shares or Investor Preferred Shares, or any beneficial interest therein, unless and until the transferee thereof has signed the Deed of Adherence to the Shareholders Agreement and thereby agreed to take and hold such Equity Shares or Investor Preferred Shares subject to, and to be bound by, the terms and conditions set forth in the Agreement. Provided that every transferee shall procure and provide to the Company a legal opinion stating with customary qualifications or assumptions that the transfer is not in conflict with its charter documents, applicable law and its other obligations under this Agreement and the necessary Consents have been procured for the same. Reasonable legal or advisory costs incurred by the Company solely in respect of the abovementioned Transfer, shall be borne equally by the respective transferor(s), transferee(s) and the Company.
	ii.	<u>Restrictions on Transfers of Promoter Shares:</u> Before a Promoter may Transfer any Promoter Shares, that Promoter must comply with the provisions of Articles 12, 13 and 19 (to the extent applicable). Notwithstanding anything to the contrary herein, it is hereby clarified that the rights under Articles 12 ii. and 12 iii. shall only be applicable to the Major Investors.
	iii	<u>Notice of Proposed Transfer of Promoter Shares:</u> Before a Promoter Transfers any of its Promoter Shares, Promoter shall simultaneously deliver to the Major Investors a written notice of share transfer (the "Promoter Transfer Notice"), stating: (i) Promoter's bona fide intention to sell or otherwise Transfer such Promoter Shares; (ii) the name, address and phone number of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the aggregate number of Promoter Shares proposed to be Transferred to each Proposed Transferee (the

		“Promoter Offered Shares”); (iv) the bona fide cash price or, in reasonable detail, other consideration and terms and conditions at which the Promoter proposes to Transfer the Offered Shares (the “Promoter Offered Price”); and (v) each Major Investor’s right to exercise either its Right of First Refusal or its Right of Co-Sale with respect to the Promoter Offered Shares.
	iv.	<u>Notice of Proposed Transfer of Investor Shares:</u> Before an Investor Transfers any of its Investor Shares, the Investor (the “Transferor Investor”) shall simultaneously deliver to the other Investors (provided that the Major Investors shall not be required to make such offer to a Minority Investor) a written notice of share transfer (the “Investor Transfer Notice”), stating: (i) such Investor’s bona fide intention to sell or otherwise Transfer such Investor Shares; (ii) the name, address and phone number of the Proposed Transferee; (iii) the aggregate number of Investor Shares proposed to be Transferred to each Proposed Transferee (the “Investor Offered Shares”); (iv) the bona fide cash price or, in reasonable detail, other consideration and terms and conditions at which the Investor proposes to Transfer the Investor Offered Shares (the “Investor Offered Price”); and (v) each other Investor’s right to exercise its Right of First Refusal with respect to the Investor Offered Shares.
	v.	<u>Termination:</u> The rights and obligations granted pursuant to this Article 12 shall terminate immediately following the occurrence of a Liquidity Event.
13.		RIGHT OF CO-SALE
	i.	<u>Exercise by the Investors:</u>
	a.	<u>Co-Sale Eligible Investors:</u> Subject to the limitations of this Article 14 i. a), to the extent that the Major Investors do not exercise their respective Rights of First Refusal pursuant to Article 13, each Major Investor who has not exercised its Right of First Refusal pursuant to Article 13 I. and 13 ii. (a “Co-Sale Eligible Investor”) shall have the right to participate in such sale of the Promoter Offered Shares which are not being purchased by the Major Investors pursuant to their Rights of First Refusal (“Residual Shares”) on the same terms and conditions as specified in the Promoter Transfer Notice. To exercise its rights hereunder, each Co-Sale Eligible Investor (a “Selling Investor”) must have provided a written notice to the Promoter within the Initial Exercise Period indicating the number of shares it holds that it wishes to sell pursuant to these Articles.
	b.	<u>Pro Rata Co-Sale:</u> If the aggregate number of shares that the Selling Investors desire to sell (as evidenced by written notices delivered to the Promoter) exceeds the number of Residual Shares, each Selling Investor will be entitled to sell up to its pro rata share of the Residual Shares which shall be equal to that number of Residual Shares equal to the product obtained by multiplying (x) the number of Residual Shares by (y) a fraction, (i) the numerator of which shall be the number of Equity Shares (on a Fully Diluted Basis) held on the date of the Transfer Notice by such Selling Investor and (ii) the denominator of which shall be the number of Equity Shares (on a Fully Diluted Basis) held on the date of the Transfer Notice by the Promoter and the Selling Investors (“Pro Rata Co-Sale Share”).
	c.	<u>Co-Sale Confirmation Notice:</u> Within fifteen (15) calendar days after the expiration of the Initial Exercise Period, the Promoter will give written notice to each Selling Investor specifying the number of Residual Shares to be sold by each Selling Investor exercising its Right of Co-Sale (the “Co-Sale Confirmation Notice”). The Co-Sale Confirmation Notice shall also specify the number of Residual Shares not purchased by the Selling Investors, if any, pursuant to Article 14 (the “Unsubscribed Residual Shares”) and shall list each Participating Co-Sale Investor’s Subsequent Pro Rata Co-Sale Share of any such Unsubscribed Residual Shares.
	ii.	<u>Subsequent Election to Sell by the Selling Investors:</u> To the extent that there remain any Unsubscribed Residual Shares, each Selling Investor electing to exercise its right to sell at least its full Pro Rata Co-Sale Share of the Residual Shares under these Articles (a “Participating Co-Sale Investor”) shall have a right to sell all or any part of the Unsubscribed Residual Shares; provided, however, that to the extent the aggregate number of additional shares that the Participating Co-Sale Investors desire to sell (as evidenced in written notices delivered to the Promoter) exceeds the Unsubscribed Residual Shares, each Participating Co-Sale Investor so exercising (an “Electing Participating Co-Sale Investor”) will be entitled to sell that number of the Unsubscribed Residual Shares equal to the product obtained by multiplying (x) the number of Unsubscribed Residual Shares by (y) a fraction, (i) the numerator of which shall be the number of Equity Shares (on a Fully Diluted Basis) held by such Electing Participating Co-Sale Investor on the date of the Transfer Notice and (ii) the denominator of which shall be the number of Equity Shares (on a Fully Diluted Basis) held on the date of the Transfer Notice by all Participating Co-Sale Investors (“Subsequent Pro Rata Co-Sale Share”). In order to exercise its rights hereunder, such Electing Participating Co-Sale Investor must provide written notice to the Promoter with a copy to each Major Investor within fifteen (15) calendar days after expiration of the Initial Exercise Period (the “Subsequent Co-Sale Period”).
	iii.	<u>Closing:</u> Consummation of the Co-Sale: Subject to compliance with applicable securities Laws,

		the sale of the Residual Shares by the Selling Investors shall occur within ten (10) calendar days after the later of (i) delivery of the Co-Sale Confirmation Notice and (ii) expiration of the Subsequent Co-Sale Period (the “Co-Sale Closing”). If a Selling Investor exercised the Right of Co-Sale in accordance with this Article 14, then such Selling Investor shall deliver to the Promoter at or before the Co-Sale Closing, one or more certificates, properly endorsed for Transfer, representing the number of Residual Shares to which the Selling Investor is entitled to sell pursuant to this Article 14. At the Co-Sale Closing, the Promoter shall cause such certificates or other instruments to be Transferred and delivered to the Transferee pursuant to the terms and conditions specified in the Transfer Notice, and the Promoter will remit, or will cause to be remitted, to each Selling Investor, at the Co-Sale Closing, that portion of the proceeds of the Transfer to which each Selling Investor is entitled because of each Selling Investor’s participation in such Transfer pursuant to the Right of Co-Sale.
	iv.	Multiple Series, Class or Type of Stock: If the Offered Shares consist of more than one series, class or type of security, the Promoter must Transfer hereunder each such series, class or type; provided, however, that if, as to the Right of Co-Sale, a Selling Investor does not hold any of such series, class or type and the Proposed Transferee is not willing, at the Co-Sale Closing, to purchase some other series, class or type of security from such Selling Investor, or is unwilling to purchase any security from such Selling Investor at the Co-Sale Closing, then such Selling Investor will have the put right (the “Put Right”) set forth these Articles.
	v.	Promoter’s Right To Transfer: If any of the Promoter Offered Shares remain available after the exercise of all Rights of First Refusal and all Rights of Co-Sale, then the Promoter shall be free to Transfer, subject to Article 15, any such remaining shares to the Proposed Transferee at the Promoter Offered Price or a higher price in accordance with the terms set forth in the Transfer Notice; provided, however, that if the Promoter Offered Shares are not so Transferred during the one hundred and twenty (120) day period following the deemed delivery of the Promoter Transfer Notice, then Promoter may not Transfer any of such remaining Promoter Offered Shares without complying again in full with the provisions of these Articles.
	vi.	Termination of Rights of Co-Sale: The Right of Co-Sale granted under this Article 14 shall terminate immediately after the occurrence of a Liquidity Event.
	vii.	Permitted Transfers: The Right of Co-Sale granted under these Articles shall not apply to Permitted Transfers.
	viii.	It is hereby clarified for avoidance of doubt that the rights under this Article 14 shall only be applicable to the Major Investors.
14.		Right of First Refusal for Investor Shares
	i.	Initial Exercise by the Investors: Subject to the provisions of Article 12(v) hereof, the following shall apply:
	a.	Initial Exercise Period: For a period of thirty (30) calendar days after receipt of the Investor Transfer Notice (the “Initial Exercise Period”), each of the other Investors (other than the Minority Investors) shall have the right (but not the obligation) to purchase all or any of the Investor Offered Shares on the terms and conditions set forth in this Article 15. To exercise its rights hereunder, such Investor must provide written notice to the Transferor Investor with a copy to the other Investors within the Initial Exercise Period.
	b.	Pro Rata Investor Offered Shares: To the extent the aggregate number of Investor Offered Shares that the Investors (other than the Minority Investors) desire to purchase (as evidenced in the written notices delivered to the Transferor Investor) exceeds the Investor Offered Shares, each Investor so exercising will be entitled to purchase its pro rata share of the Investor Offered Shares, which shall be equal to that number of the Investor Offered Shares equal to the product obtained by multiplying (x) the number of Investor Offered Shares by (y) a fraction, (i) the numerator of which shall be the number of Investor Shares held by such Investor on the date of the Transfer Notice and (ii) the denominator of which shall be the number of Investor Shares held on the date of the Transfer Notice by all Investors (“Pro Rata Investor Offered Shares”).
	c.	Remainder Shares: Within fifteen (15) calendar days after the expiration of the Initial Exercise Period, the Transferor Investor will give written notice to each Investor specifying the number of Investor Offered Shares to be purchased by each Investor exercising its Right of First Refusal (the “Investor ROFR Confirmation Notice”). The Investor ROFR Confirmation Notice shall also specify the number of Investor Offered Shares not purchased by the Investors, if any, hereunder (“Remainder Investor Shares”) and shall list each Participating Party’s Subsequent Pro Rata Investor Offered Share of any such Remainder Investor Shares.
	ii.	Subsequent Exercise by the Investors and the Promoter: To the extent that there remain any Remainder Investor Shares, each Investor electing to exercise its right to purchase at least its

		full Pro Rata Investor Offered Share of the Investor Offered Shares under these Articles “Participating Party”) shall have a right to purchase all of the Remainder Investor Shares; provided, however, that to the extent the aggregate number of shares that the Participating Parties desire to purchase (as evidenced in written notices delivered to the Transferor Investor) exceeds the remaining Remainder Investor Shares, each Participating Party so exercising (an “Electing Participating Party”) will be entitled to purchase that number of the Remainder Investor Shares equal to the product obtained by multiplying (x) the number of Remainder Investor Shares by (y) a fraction, (i) the numerator of which shall be the number of Investor Shares held on the date of the Transfer Notice by such Electing Participating Party and (ii) the denominator of which shall be the number of Investor Shares held on the date of the Transfer Notice by all Electing Participating Parties (“Subsequent Pro Rata Investor Offered Share”); provided, however, that if any Electing Participating Party does not request to purchase its full Subsequent Pro Rata Investor Offered Share, the remaining portion of its allocation shall be reallocated among those Electing Participating Parties whose Subsequent Pro Rata Investor Offered Share allocations did not satisfy their requests, pro rata, as described above, and this procedure shall be repeated until each Electing Participating Party’s request has been fulfilled or all of the Investor Offered Shares have been so allocated. In order to exercise its rights hereunder, such Electing Participating Party must provide written notice to the Transferor with a copy to each Investor and the Promoter within thirty (30) calendar days after the expiration of the Initial Exercise Period (the “Subsequent Exercise Period”). If any Remainder Investor Shares remain as Remainder Investor Shares and are not so allocated among the Electing Participating Parties, then the Remainder Investor Shares shall not be subject to the Right of First Refusal.
	iii.	<u>Purchase Price:</u> The purchase price for the Investor Offered Shares to be purchased by an Investor or a Promoter exercising its Right of First Refusal under these Articles will be the Investor Offered Price, and will be payable as set forth in Article 15 iv. If the Investor Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration will be determined by a Big Four Accounting Firm in good faith, which determination will be binding upon each Investor and the Promoter, absent fraud or error.
	iv.	<u>Closing; Payment:</u> Subject to compliance with applicable securities Laws, the Investors exercising their Rights of First Refusal shall effect the purchase of all or any portion of the Investor Offered Shares, including the payment of the purchase price, within ten (10) calendar days after the later of (i) delivery of the Investor ROFR Confirmation Notice and (iii) expiration of the Subsequent Exercise Period (the “Investor Right of First Refusal Closing”). Payment of the purchase price will be made, at the option of the party exercising its Right of First Refusal, (i) in cash (by check), (ii) by wire transfer, or (iii) by any combination of the foregoing. At such Investor Right of First Refusal Closing, the Transferor Investor shall deliver to the Investors exercising their Rights of First Refusal, one or more certificates, properly endorsed for transfer, representing such Investor Offered Shares so purchased.
	v.	<u>Termination of Rights of First Refusal:</u> The Right of First Refusal granted under these Articles shall terminate immediately following the occurrence of a Liquidity Event.
	vi.	<u>Permitted Transfers:</u> The Right of First Refusal granted under these Articles shall not apply to Permitted Transfers.
	vii.	It is hereby clarified for avoidance of doubt that the rights under these Articles shall only be applicable to the Major Investors.
15.		Effect of Invalid Transfer Of Promoter Shares or Investor Shares
	i.	<u>Generally:</u> Any attempt by any Promoter or any Investor to Transfer any Promoter Shares or Investor Shares, as applicable, in violation of any provision of these Articles will be void. No securities shall be transferred by an Investor or Promoter unless (i) such Transfer is made in compliance with all of the terms of these Articles and all applicable securities Laws and (ii) before such Transfer, the transferee or transferees sign a counterpart to these Articles pursuant to which it or they agree to be bound by the terms of these Articles. The Company will not be required to (i) transfer on its books any shares that have been sold, gifted or otherwise Transferred in violation of any provisions of these Articles or (ii) to treat as owner of such shares, or accord the right to vote or pay dividends to any purchaser, donee or other transferee to whom such shares may have been so Transferred.
	ii.	<u>Prohibited Transfer Put Right:</u> If a Promoter Transfers any Promoter Shares in contravention of the Right of Co-Sale under these Articles (a “Prohibited Transfer”), or if the Proposed Transferee of Offered Shares desires to purchase a class, series or type of stock offered by the Promoter but not held by an Investor, or the Proposed Transferee is unwilling to purchase any securities from a Selling Investor, such Selling Investor may, by delivery of written notice to such the Promoter (a “Put Right Notice”) within ten (10) calendar days after the later of (i) the

		Co-Sale Closing and (ii) the date on which such Selling Investor becomes aware of the Prohibited Transfer or the terms thereof, require such Promoter to purchase from such Selling Investor that number of Investor Shares or Equity Shares that is equal to the number of Residual Shares such Selling Investor would have been entitled to Transfer to the purchaser (the “Put Right Shares”). Such sale shall be made on the following terms and conditions:
	a.	Price Per Share: The price per share at which the Put Right Shares are to be sold to the Promoter shall be equal to the price per share that the Selling Investor would have received at the Co-Sale Closing of such Prohibited Transfer if such Selling Investor had sold such Put Right Shares at the Co-Sale Closing. Such purchase price of the Put Right Shares shall be paid in cash or such other consideration as the Promoter received in the Prohibited Transfer or at the Co-Sale Closing. The Promoter shall also reimburse the Selling Investor for any and all fees and expenses, including, but not limited to, legal fees and expenses, incurred pursuant to the exercise or attempted exercise of such Selling Investor’s Rights of Co-Sale pursuant to Article 14 or in the exercise of its rights under this Article 16 with respect to the Put Right Shares.
	b.	Class of Shares: The Put Right Shares to be sold to the Promoter shall be of the same class or type as transferred in the Prohibited Transfer or at the Co-Sale Closing if such Selling Investor then owns securities of such class or type. If such Selling Investor does not own any of such class or type, the Put Right Shares shall be Equity Shares.
	c.	Closing of Put Right Shares: The closing of such sale to the Promoter will occur within ten (10) calendar days after the date of such Selling Investor’s Put Right Notice to such Promoter. At such closing, the Selling Investor shall deliver to the Promoter the certificate or certificates representing the Put Right Shares to be sold, each certificate to be properly endorsed for transfer, and immediately upon receipt thereof, such Promoter shall pay the aggregate purchase price therefore, and the amount of reimbursable fees and expenses, as specified in these Articles.
16		VOTING AGREEMENT
	i.	General Voting Agreement: During the term of these Articles, the Voting Parties each agree to vote all shares of the Company’s voting securities now or hereafter owned by them, whether beneficially or otherwise, or as to which they have voting power in accordance with the provisions of these Articles. For purposes of these Articles, all securities held by Affiliates (including venture capital funds) or Persons of a Voting Party shall be aggregated for purposes of determining the availability of rights hereunder.
	ii.	Election of Board of Directors:
	a.	Voting: During the term of these Articles, each Voting Party agrees to vote all Equity Shares and all Investor Preferred Shares in such manner as may be necessary to elect (and maintain in office) as members of the Company’s Board the following individuals: i. The three (3) Investor Designees; ii. The three (3) Promoter Designees; and iii. One (1) Independent Designee.
	b.	Designation of Directors: The designees to the Company’s Board described above (each a “Designee”) shall be selected as follows: I. One “Investor Designee” shall be chosen by Canaan who shall be a director who will not be liable to retire by rotation (the “Canaan Director”). II. One “Investor Designee” shall be chosen by BVP Investor who shall be a director who will not be liable to retire by rotation (the “BVP Director”). III. One “Investor Designee” shall be chosen by Mayfield Investor who shall be a director who will not be liable to retire by rotation (the “Mayfield Director”). The Mayfield Investor and the Canaan Investor shall each be entitled to appoint an observer on the Board who may participate in discussions of matters brought before the Board, but shall in all other respects be a non-voting observer. IV. The three “Promoter Designees” shall be chosen by Mr. Murugavel Janakiraman (the “Promoter Directors”). V. The single “Independent Designee” shall be an Independent member agreed upon between the Investors and the Promoters. For the purposes of these Articles, “Independent” means a Person that is not an affiliate of the Company or any Shareholder. It is agreed between the Parties that

		as of the Closing, Mr. K.B. Chandrashekar shall continue to be the initial Independent Designee.
	c.	<u>Designees</u> : As of the Closing, the Shareholders and the Company shall ensure that the following persons are directors of the Company and deemed Designees in accordance with sub article (ii)(b) above: (i) Alok Mittal as the Canaan Director, (ii) R.S. Chandra as the BVP Director, (iii) Nikhil Nirvan Khattau as the Mayfield Director, (iv) Murugavel Janakiraman and any two (2) persons nominated by him, as the Promoter Directors.
	d.	<u>Exclusion of Directors</u> : A Director may be excluded (upon the vote of a majority of the remaining board members) from portions of Board meetings, or from access to information provided to the Board, in the following circumstances: (i) the Board is to consider matters in which the interests of the Company and of Director or the Voting Party which designated such Director are in conflict and (ii) the Board is to consider matters in areas in which the Company and Voting Party which designated such Director are competitors.
	e.	<u>Changes in Designees</u> : Each of the BVP Investor, Canaan, Mayfield Investor and the Promoter shall have the right at any time, in their sole discretion, to require removal of any Director designated by it, which removal shall become effective upon such party giving written notice of removal to the Company and the other parties. To the extent required by applicable Law to give effect to such removal, upon such party giving written notice of removal to the Company and the other parties, the Shareholders will cause to be convened a general meeting and pass an ordinary resolution for the removal of such Director.
	f.	<u>Size of Board</u> : During the term of the Agreement, each Voting Party agrees to vote all Equity Shares and all Investor Preferred Shares to maintain the authorized number of members of the Board of the Company at seven (7) directors.
	g.	<u>Vacancy</u> : Any vote taken to fill any vacancy created by the resignation, death or other vacancy of a director elected pursuant to this Article 17, shall also be subject to the provisions of Article 17.
	h.	<u>No Liability for Election of Recommended Director</u> : None of the parties hereto and no officer, director, stockholder, partner, employee or agent of any party makes any representation or warranty as to the fitness or competence of the nominee of any party hereunder to serve on the Board because of such party's execution of the Agreement or by the act of such party in voting for such nominee pursuant to these Articles.
	i.	<u>Alternate Directors</u> : Each Party shall be entitled to nominate an alternate Director for each of the Directors it is entitled to nominate, and such alternate Directors will serve in the absence of the original Directors. Any such appointment as alternate Director shall take place as the first item of business at the Board meeting next following receipt by the Company of such nomination. Upon his appointment as such alternate Director, an alternate Director shall be entitled to constitute the quorum, vote, issue consent and sign a written resolution on behalf of the Director for whom he is an alternate. The Investors shall be entitled to remove the Investor Directors nominated by it, including any alternate Director nominated by it, by notice to such Director and the Company. Any vacancy occurring with respect to the position of the Investor Director, by reason of death, disqualification, resignation, removal or the inability to act, shall be filled only by another nominee specified by the Investor. The Promoters shall be entitled to remove the Promoter Directors nominated by them, including any alternate Director nominated by them, by notice to such Director and the Company. Any vacancy occurring with respect to the position of the Promoter Directors, by reason of death, disqualification, resignation, removal or the inability to act, shall be filled only by another nominee specified by the Promoters.
	iii.	Board Meetings:
	a.	Subject to applicable Law, a meeting of the Board shall be held at least once in every three calendar months and at least four such meetings shall be held in each calendar year. The meetings may be held at any place in or outside India or by way of teleconference, video conference or through any other medium as may be permitted under the Act. The Directors may meet together for the discharge of the business, adjourn and otherwise regulate their meetings and proceedings, as they think fit.
	b.	Notice of every meeting of the Board shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director and also to every Director out of India at his usual address at least 14 (fourteen) clear days prior to the meeting.
	c.	Any matter arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall not have a second or casting vote.
	d.	Every Director shall be entitled to participate at a meeting of the Board through audio or video conferencing, including the right to speak at such meeting, provided that unless applicable Law permits otherwise, such Director shall not be entitled to vote and his presence shall not be considered for the purpose of quorum. An original Director shall also be entitled to be present at a meeting of the Board through audio or video even though his alternate Director shall be present personally provided

		that such original Director shall only be allowed to instruct the alternate Director on speaking and voting at such meeting; provided, however, that if at any meeting of the Board, a Director is not personally present but participates through audio or video conferencing and his alternate Director is not present at such meeting, and such Director requests that a resolution being considered at the meeting not be passed at such meeting, then the Company shall not pass such resolution at the meeting of the Board and shall instead propose such resolution only as a circular resolution.
	e.	Every Director shall be entitled to reimbursement for reasonable expenses incurred on behalf of the Company, including, but not limited to business development, travelling, attendance of conferences and meetings and any expenses incurred by such Director in engaging in any business at the request of and on behalf of the Company.
	iv.	Covenants of the Company: The Company agrees to use its best efforts to ensure that the rights given to the Voting Parties hereunder are effective and that the Voting Parties enjoy the benefits thereof. Such actions include, without limitations the use of the Company's best efforts to cause the nomination and election of the Designees as provided in Article 17(ii), to cause the size of the Board to remain as provided in Article 17(ii)(f), to enforce the terms of these Articles and to inform the Shareholders of any breach hereof (to the extent the Company has knowledge thereof). The Company will not, by any voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all of the provisions of these Articles and in the taking of all such actions as may be necessary, appropriate or reasonably requested by the holders of a majority of the outstanding voting securities held by the Voting Parties assuming exercise and conversion of all outstanding securities in order to protect the rights of the parties hereunder against impairment and to assist the shareholders in the exercise of their rights and the performance of their obligations hereunder.
	ix.	Additional Shares: If after the date of this Agreement any shares or other securities (other than pursuant to a Change in Control) are issued on, or in exchange for, any of the Investor Shares or Promoter Shares, as the case may be, because of any stock dividend, bonus issue, rights issue, stock split, consolidation of shares, reclassification or consolidation involving the Company, such shares or securities shall be deemed to be Investor Shares or Promoter Shares, as the case may be, for purposes of this Agreement.
17.		Investor Protective Provisions
	i.	Protective Provisions:
	a.	Neither the Company nor any Shareholder shall approve or take any of the following actions or matters without having first received the approval of both of the Major Investors i.e. the Canaan Investor and the Mayfield Investor (excluding the BVP Investor) so long as both of them hold at least 3% of the share capital of the Company on a Fully Diluted Basis, in the form of an affirmative vote at a meeting of the Shareholders of the Company held for that purpose or, if applicable, in the form of an affirmative vote of both the Canaan Director and the Mayfield Director at a meeting of the Board or any Committee of the Board, held for that purpose or in any resolution passed if the matter, decision, action or resolution is proposed to be considered or passed by a resolution by circulation, such circulation:
	i.	<u>Amendments to Corporate Documents:</u> Any amendment to the Company's Memorandum or Restated Articles including any amendment authorizing or issuing any additional capital stock, equity security (including Equity Shares and Convertible Securities);
	ii.	<u>Business Combination:</u> Any Change in Control, merger, disinvestment, acquisitions, creation of subsidiaries, reconstitution, recapitalization, slump sale, consolidation, other corporate reorganization, sale, transfer or disposition or other business combination involving the Company and/or its subsidiaries of all or a material portion of the assets, including goodwill, grant of license, pledge, security interest or right to use all or a material portion of the assets of the Company or any of its subsidiaries;
	iii.	<u>Purchase by the Company:</u> An acquisition, merger with or into, slump sale, purchase or other similar transaction by the Company or any of its subsidiaries of another company, business or asset or the investment in debt or equity of another company by the Company or any of its subsidiaries;
	iv.	<u>New Stock:</u> The creation or issuance of any capital stock, equity security (including Equity Shares and Convertible Securities), decrease or other alteration or modification in the authorized number or shares and convertible securities or the reclassification of any existing security in any security having rights, preferences or privileges senior to or on parity with the Series A Preferred Shares, the Series B Preferred Shares and/or the Series C Preferred Shares; and determining the pricing and relevant market of an initial public offer;
	v.	<u>Third Party Purchases:</u> The subscription, purchase, or acquisition by any third party of any equity

		interest or securities convertible into an equity interest in the Company or any subsidiary of the Company;
	vi.	<u>Transfer of Assets:</u> The transfer of any material assets of the Company or any subsidiary to any company, entity, Person or other subsidiary, affiliate of the Company, parent company or other shareholder of the Company; or
	vii.	<u>Board Changes:</u> The increase or decrease of the authorized number of members on the Board; provided, however, that any decrease in the number of members of the Board that adversely affects the BVP Investor's right to nominate the BVP Director shall be effective only upon the prior written consent of the BVP Investor so long as the BVP Investor is otherwise entitled to nominate the BVP Director pursuant to these Articles.
	viii	Conversion of the Company from a private limited company to a limited company;
	ix	Change in Control of the Company;
	x.	Any action that will alter the rights and privileges of the Shareholders of the Company as set out in these Articles;
	xi.	Approval of annual accounts and annual operating budget for any financial year of the Company. Any amount greater than Rs. 5,000,000 will require an approval of the Investor;
	xii	Acquire or sell shares, securities, debentures and bonds in or of any other company or any joint ventures;
	xiii.	Remuneration and compensation paid to the Board of Directors, Chairman and Managing Director of the Company;
	xiv	Any decision of any Committee of the Board with respect to any of the foregoing; and
	xv	Any commitment or agreement to do any of the foregoing.
	b.	Neither the Company nor any Shareholder shall approve or take any of the following actions or matters without having first received the approval of all three (3) of the Mayfield Investor, the Canaan Investor and the BVP Investor, so long as any of them holds at least 3% of the share capital of the Company on a Fully Diluted Basis, in the form of an affirmative vote at a meeting of the Shareholders of the Company held for that purpose or, if applicable, in the form of an affirmative vote of all three (3) of the Investor Designees at a meeting of the Board or committee of the Board held for that purpose:
	i.	Change to Investor Shares: Any action, including any amendment to the Company's (including its Subsidiaries') Memorandum or Restated Articles or any other organisation documents, that changes or alters the rights, preferences or privileges of the Investor Shares held by the Investors or adversely affects the rights of the Investors or the Investor Shares; Provided, however, that the mere issuance or sale of securities senior to the Series A Preferred Shares and/ or the Series B Preferred Shares and/or the Series C Preferred Shares shall not be deemed to be an action covered by these Articles;
	ii.	Change to Company's Business: Any change in Business scope, commencement of any new line of business, any diversification into Business areas unrelated to its existing Business and/or acquisition, disposition or dilution of a substantial in any other business, company, partnership or sole proprietorship and/or material deviations in operating expenses from the mutually agreed business plan or adoption of any new business plan by the Company; Any material change in the scope of the business of the Company as of the Closing, provided, however, that this consent shall not be required for new lines of business so long as they are primarily offered on the internet or on mobile platforms, or in offline form so long as such offline businesses are intended to support the internet and mobile businesses of the Company;
	iii.	Dividends: The declaration of or payment of (or setting aside of a sinking fund for) any dividends or distributions on the capital stock of the Company;
	iv.	Buybacks: The buyback/redemption or purchase of any of the capital stock of the Company or any of its subsidiaries, except repurchases of employee Equity Shares upon termination of employment pursuant to agreements that were approved by the Board (including the Investor Directors), repurchases pursuant to these Articles or exercises of the Company's right of first refusal on proposed transfers;
	v.	Loans: Entering into loans to officers, directors or employees (except loans to non-officer or director employees made in accordance with an employee loan program approved by the Board) or third-parties outside of the ordinary course of business;
	vi	Borrowings: Borrowings by the Company in excess of Rs. 10,000,000;
	vii.	<u>Related Party Transactions:</u> Any related party or interested party transactions, except for existing contracts as of the date hereof that have been disclosed to the Investors in the schedule of exceptions to the Subscription Agreement;
	viii.	<u>Liens:</u> The creation or the obligation to create any security interest, contractual indemnity or similar obligation in favour of the Company, any affiliate of the Company, or any other related party, except for security interests in connection with bank loans made in the ordinary course of business and

		approved by the Board (including the Investor Directors);
	ix.	Liquidation: The bankruptcy, assignment for the benefit of creditors, acceleration of third party obligations, confession of judgment, liquidation, recapitalization, or reorganization of the Company or any of its subsidiaries;
	x.	New Stock: The creation or issuance of any capital stock, equity security (including Equity Shares and Convertible Securities), decrease or other alteration or modification in the authorized number or shares and convertible securities or the reclassification of any existing security;
	xi.	Any decision of any Committee of the Board with respect to any of the foregoing; and
	xii.	Any commitment or agreement to do any of the foregoing.
	c.	When the Company proposes to undertake any of the actions set out in Article 18(i) above, the Company shall call for a general meeting of the Shareholders by serving at least twenty-one (21) calendar days written notice in this regard to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the general meeting; provided always that a meeting may be convened by a shorter notice than twenty-one (21) calendar days with consent of all the Shareholders. The written notice shall specify and provide all the details of the action proposed to be undertaken as would reasonably enable each Shareholder to arrive at a decision with respect to such matter.
	d.	The provisions of this article shall mutatis mutandis apply to the subsidiaries of the Company.
	ii.	Quorum: On the date of any general meeting called to consider any action or resolution regarding matters relating to the provisions set forth in above Article 18(i), quorum shall require and include the presence of both the Mayfield Investor representative and the Canaan Investor representative, in order to constitute a valid quorum for such general meeting (a "Valid Quorum") and regarding matters relating to provisions set forth in above article (b), a quorum shall require all Major Investors in order to constitute a Valid Quorum; and regarding matters other than those relating to the provisions set forth in Article 18, a quorum shall require and include the presence of at least two of the Major Investor Representatives. If, on the date of the general meeting, a Valid Quorum is not present, the general meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week. A failure to constitute a Valid Quorum in any adjourned general meeting shall not serve to enable the Company to take such actions or resolutions in such adjourned or any subsequent general meetings without a Valid Quorum.
19.		NOMINATION BY NON-RESIDENT INVESTORS: Notwithstanding anything contained in these Articles, the parties to the Agreement hereby agree that every non-resident Investor may, in relation to the exercise by such non-resident Investor of any right or option to require the transfer or issuance of Investor Shares to itself in terms of these Articles, exercise such right or option by requiring that such Investor Shares be transferred to such person(s) resident in India ("Nominee") as may be designated by the non-resident Investor provided that:
	i.	the prior written consent of the Company is obtained for such transfer/issue of Investor Shares to the Nominee (such consent not to be unreasonably withheld); and
	ii.	the Nominee becomes a party to the Agreement by signing counterpart signature pages hereto;
	iii.	It is hereby provided for avoidance of doubt that the Investor Shares held by the Mayfield Investor or the Canaan Investor, may be transferred by the Mayfield Investor or the Canaan Investor to any present or future Affiliate of the Mayfield Investor or the Canaan Investor (as the case may be), subsequent to the Closing Date, subject howsoever, to such Affiliate of the Mayfield Investor or the Canaan Investor (as the case may be) agreeing to be bound by the terms of the Agreement by executing a Deed of Adherence in a form satisfactory to the Company.
20.		VALUATION OF SHARES: Any information (including projections and future estimates) provided by or on behalf of the Company or any subsidiary of the Company to any Person for the valuation of the Shares of such company, whether required to be determined under applicable Law or otherwise, shall be as approved by the Investors in writing. The valuation of Shares of the Company and/or any subsidiary of the Company shall always be conducted by a valuer acceptable to the Investor and whose costs shall be borne by the Company.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at our Registered and Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid Closing Date.

Material Contracts to the Offer

1. Offer Agreement among our Company, the Selling Shareholders and the BRLMs dated August 18, 2015.
2. Agreement among our Company, the Selling Shareholders and Registrar to the Offer dated August 18, 2015.
3. Escrow Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Escrow Collection Banks, the Registrar to the Offer and the Syndicate Members.
4. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members.
5. Underwriting Agreement dated [●] among our Company, the Selling Shareholder, the BRLMs and the Syndicate Members.
6. Agreement dated January 8, 2015 among NSDL, our Company and the Registrar to the Offer.
7. Agreement dated November 25, 2014 among CDSL, our Company and the Registrar to the Offer.

Material Documents

1. Our Memorandum and Articles of Association, as amended from time to time.
2. Our certification of incorporation dated July 13, 2001, fresh certificates of incorporation dated December 15, 2003, September 27, 2007 and August 17, 2012 consequent to change of our name and fresh certificate of incorporation dated January 2, 2015 consequent to conversion into a public company.
3. Amended and restated shareholders' agreement dated September 28, 2011.
4. Amendment agreement dated December 17, 2014 between Murugavel Janakiraman, Indrani Janakiraman and the Investors.
5. Deed of adherence dated March 19, 2015 between our Company, Murugavel Janakiraman, Indrani Janakiraman, CMDDB II and the Investors
6. Stock Purchase Agreement dated September 12, 2011.
7. Resolution of the Board of Directors dated July 30, 2015 authorising the Fresh Issue, subject to the approval of the shareholders of our Company, and such other authorities as may be necessary.
8. Resolution of the Shareholders dated August 5, 2015, under section 62(1)(c) of the Companies Act, 2013 authorising the Fresh Issue.

9. Resolution of the IPO Committee dated August 18, 2015, approving this Draft Red Herring Prospectus and taking on record the Offer for Sale by the Selling Shareholders.
10. Resolution of the board of directors of Bessemer India Capital Holdings II Ltd. and Draper Investment Company LLC dated July 22, 2015 and August 10, 2015, respectively approving the Offer for Sale. Letters from The Hartenbaum Revocable Trust U/A/D 02/03/06 and Indrani Janakiraman dated August 13, 2015 and August 8, 2015, respectively.
11. Reports of the Statutory Auditor dated August 11, 2015 on the Financial Statements appearing at pages 209 and 265.
12. Statement of Tax Benefits from the Statutory Auditor dated August 11, 2015.
13. Copies of annual reports of our Company for the previous five fiscal years.
14. Consents of our Selling Shareholders, Bankers to our Company, the BRLMs, Syndicate Members, Statutory Auditors, Registrar to the Offer, Escrow Collection Bank(s), Directors of our Company, Company Secretary, Compliance Officer, Chief Financial Officer, legal counsels, as referred to, in their respective capacities.
15. Certificate dated August 12, 2015 from Kumar Bagri & Associates, Chartered Accountants certifying that no amounts have been deployed by our Company, towards any of the objects of the Fresh Issue.
16. Certificate dated August 12, 2015 from Kumar Bagri & Associates, Chartered Accountants certifying that the overdraft facilities proposed to be repaid by our Company from the Net Proceeds have been utilized by us in accordance with the terms and conditions of their sanction.
17. Application dated [●] filed with the BSE, for obtaining their in-principle listing approval.
18. In-principle listing approval dated [●] received from the BSE.
19. Due diligence certificate dated August 18, 2015 to SEBI from the BRLMs.
20. SEBI observation letter [●] and our in-seriatim reply to the same dated [●].
21. Copies of resolutions in relation to the appointment of our Managing Director.

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, 2013 and other relevant statutes.

DECLARATION

1. DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956 (to the extent applicable), the Companies Act, 2013 and the rules/guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956 (to the extent applicable), the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Chinni Krishnan Ranganathan	
<i>Non-executive Chairman and independent Director</i>	
Murugavel Janakiraman	
<i>Managing Director</i>	
Deepa Murugavel	
<i>Non-executive Director</i>	
Nikhil Nirvan Khattau	
<i>Nominee non-executive Director</i>	
Vishal Vijay Gupta	
<i>Additional Director</i>	
Avneet Singh Kochar	
<i>Additional Director</i>	
George Zacharias	
<i>Non-executive independent Director</i>	
Milind Shripad Sarwate	
<i>Non-executive independent Director</i>	

Date: August 18, 2015

Place: Chennai

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

S. Parameshwar	
<i>Chief Financial Officer</i>	

Date: August 18, 2015

Place: Chennai

2. DECLARATION BY BESSEMER INDIA CAPITAL HOLDINGS II LTD.

We, Bessemer India Capital Holdings II Limited certify that all statements made by us in this Draft Red Herring Prospectus in relation to ourselves or in connection with the Equity Shares offered by us in the Offer for Sale in this Draft Red Herring Prospectus, are true and correct and we assume no responsibility for any other statements in this Draft Red Herring Prospectus made by or in relation to the Company or other Selling Shareholders.

SIGNED ON BEHALF OF BESSEMER INDIA CAPITAL HOLDINGS II LTD.

Name: Thirumagen Vaitilingon

Designation: Director

Date: August 18, 2015

3. DECLARATION BY DRAPER INVESTMENT COMPANY LLC

We, Draper Investment Company LLC certify that all statements made by us in this Draft Red Herring Prospectus in relation to ourselves or in connection with the Equity Shares offered by us in the Offer for Sale in this Draft Red Herring Prospectus, are true and correct and we assume no responsibility for any other statements in this Draft Red Herring Prospectus made by or in relation to the Company or other Selling Shareholders.

SIGNED ON BEHALF OF DRAPER INVESTMENT COMPANY LLC

Name: Willian H. Draper III
Designation: Sole Managing Member

Date: August 18, 2015

4. DECLARATION BY THE HARTENBAUM REVOCABLE TRUST U/A/D 02/03/06

We, The Hartenbaum Revocable Trust U/A/D 02/03/06, certify that all statements made by us in this Draft Red Herring Prospectus in relation to ourselves or in connection with the Equity Shares offered by us in the Offer for Sale in this Draft Red Herring Prospectus, are true and correct and we assume no responsibility for any other statements in this Draft Red Herring Prospectus made by or in relation to the Company or other Selling Shareholders.

SIGNED ON BEHALF OF THE HARTENBAUM REVOCABLE TRUST U/A/D 02/03/06

Name: Howard Hartenbaum

Designation: Trustee

Date: August 18, 2015

DECLARATION BY INDRANI JANAKIRAMAN

I, Indrani Janakiraman, certify that all statements made by me in this Draft Red Herring Prospectus in relation to myself or in connection with the Equity Shares offered by me in the Offer for Sale in this Draft Red Herring Prospectus, are true and correct and I assume no responsibility for any other statements in this Draft Red Herring Prospectus made by or in relation to the Company or other Selling Shareholders.

SIGNED BY INDRANI JANAKIRAMAN

Name: Indrani Janakiraman

Date: August 18, 2015