

Section 1: F-4/A (F-4/A)

As filed with the Securities and Exchange Commission on March 3, 2015

Registration No. 333-201870

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 2 to
Form F-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Videocon d2h Limited

(Exact name of registrant as specified in its charter)

Republic of India (State or other jurisdiction of incorporation or organization)	4841 (Primary Standard Industrial Classification Code Number)	Not applicable (I.R.S. Employer Identification Number)
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1st Floor, Techweb Centre
New Link Road
Oshiwara Jogeshwari (West)
Mumbai 400 102 Maharashtra, India
(+91 22) 4255 5000

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Law Debenture Corporate Services Inc.
400 Madison Avenue, 4th Floor
New York, NY 10017
Tel: (212) 750-6474
Fax: (212) 750-1361

With copies to:

Saurabh Pradipkumar Dhoot
Executive Director
1st Floor, Techweb Centre
New Link Road
Oshiwara Jogeshwari (West)
Mumbai 400 102
Maharashtra, India
(+91 22) 4255 5000

James A. Graf
Chief Financial Officer
Silver Eagle Acquisition Corp.
1450 2nd Street, Suite 247
Santa Monica, CA 90401
Tel: (310) 209-7280

Ashok K. Lalwani, Esq.
Thomas J. Rice, Esq.
Baker & McKenzie, Wong & Leow
8 Marina Boulevard #05-01 Marina
Bay Financial Centre Tower 1
Singapore 018981
Tel: (+65) 6338 1888
Fax: (+65) 6337 5100

Joel L. Rubinstein, Esq.
Jonathan P. Rochwarger, Esq.
Elliott M. Smith, Esq.
McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Tel: (212) 547-5400
Fax: (212) 547-5444

Approximate date of commencement of proposed sale of the securities to the public: **As soon as practicable after the effective date of this registration statement and on completion of the business combination described in the enclosed proxy statement/prospectus.**

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8 (a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. The registrant may not issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. The proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY, SUBJECT TO COMPLETION, DATED MARCH 3, 2015

SILVER EAGLE ACQUISITION CORP.
1450 2nd Street, Suite 247
Santa Monica, California 90401

Dear Silver Eagle Acquisition Corp. Stockholders and Public Warrantholders:

You are cordially invited to attend the special meeting of stockholders and/or the special meeting of public warrant holders of Silver Eagle Acquisition Corp., or Silver Eagle, on [], 2015, at [] [a.m.][p.m.], Eastern time, and [] [a.m.][p.m.], Eastern time, respectively, at the offices of McDermott Will & Emery LLP, 340 Madison Avenue, New York, New York.

At the special meeting of stockholders, Silver Eagle's stockholders will be asked to consider and vote upon a proposal, which is referred to herein as the "Business Combination Proposal," to approve a contribution agreement, dated December 31, 2014, as amended as of February 3, 2015, by and among Videocon d2h Limited, or Videocon d2h, and Silver Eagle (as may be amended, the "Contribution Agreement"). Videocon d2h is the fastest growing direct-to-home pay-TV service provider in India by acquisition of new subscribers. If the Contribution Agreement is approved and Silver Eagle consummates the transactions contemplated thereby, which we refer to collectively as the "Transaction," Silver Eagle will contribute to Videocon d2h the funds held in the trust account that holds the proceeds of its initial public offering, less certain transaction expenses, amounts used to pay Silver Eagle stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal, amounts payable to warrant holders and reserves for liquidation and dissolution expenses (the "Contribution Amount"), in exchange for equity shares of Videocon d2h. We estimate that the equity shares issued by Videocon d2h in exchange for the Contribution Amount will constitute between 33.42% and 38.42% of the issued share capital of Videocon d2h, depending on the number of shares redeemed by Silver Eagle's public stockholders. The Videocon d2h equity shares will be represented by Videocon d2h American Depositary Shares, or ADSs, with each ADS representing four Videocon d2h equity shares. The current shareholders of Videocon d2h and the sponsor of Silver Eagle will be entitled to be issued additional Videocon d2h shares and Videocon d2h ADSs, respectively, following the closing, subject to the achievement of certain ADS price targets for a specified period following the closing. In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the sponsor of Silver Eagle, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus. See "*Summary — Videocon d2h Equity Shares and ADSs to be Issued in the Transaction*" and "*Unaudited Pro Forma Condensed Financial Information*" for further information. The contribution by Silver Eagle of the Contribution Amount to Videocon d2h in exchange for Videocon d2h's equity shares is referred to herein as the "Contribution." As soon as reasonably practicable after the closing of the Transaction, Silver Eagle's stockholders will receive Videocon d2h ADSs in proportion to their stockholdings in Silver Eagle and Silver Eagle will dissolve and liquidate. A copy of the Contribution Agreement is attached to the accompanying proxy statement/prospectus as Annex A.

Silver Eagle stockholders will also be asked to consider and vote upon a proposal to approve the dissolution of Silver Eagle, including a plan of dissolution, which provides for the liquidation and dissolution of Silver Eagle following the Transaction, subject to the approval of the Business Combination Proposal and the closing of the Transaction. A copy of the plan of dissolution is attached as Annex B to the accompanying proxy statement/prospectus. We refer to this proposal as the "Plan of Dissolution Proposal."

At the special meeting of public warrant holders, Silver Eagle public warrant holders will be asked to consider and vote on a proposal, which is referred to herein as the "Warrant Amendment Proposal," to approve and consent to amend the terms of the warrant agreement governing Silver Eagle's outstanding warrants to provide that, upon the consummation of the Transaction, each of Silver Eagle's outstanding warrants, which entitle the holder thereof to purchase one-half of one share of Silver Eagle common stock, will be exchanged for cash in the amount of \$1.00. In connection with the Transaction, the Sponsor and Dennis A. Miller have agreed to forfeit to Silver Eagle for no consideration 15,000,000 private placement warrants held by them. Accordingly the private placement warrants will not be eligible to be exchanged for cash. Approval of the Warrant Amendment Proposal is not a condition to the consummation of the Transaction.

Each of these proposals is more fully described in the accompanying proxy statement/prospectus.

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Under the Contribution Agreement, the closing of the Transaction is subject to a number of conditions, including that (i) Silver Eagle stockholders approve the Business Combination Proposal and (ii) the Contribution Amount is at least \$200,850,000. If these conditions are not satisfied, then Videocon d2h will not be required to consummate the Transaction.

Silver Eagle's common stock, units and warrants are currently quoted on the OTCQB under the symbols "EAGL," "EAGLU" and "EAGLW," respectively. Videocon d2h intends to apply to list its ADSs on the NASDAQ Stock Market LLC, or NASDAQ, under the symbol "VDTH" in connection with the closing of the Transaction. We cannot assure you that Videocon d2h's ADSs will be approved for listing on NASDAQ.

Videocon d2h is an "emerging growth company" under applicable federal securities laws and will be subject to reduced public company reporting requirements. Investing in Videocon d2h's securities involves a high degree of risk. See "Risk Factors" beginning on page 20 for a discussion of information that should be considered in connection with an investment in Videocon d2h's securities.

Pursuant to Silver Eagle's amended and restated certificate of incorporation, Silver Eagle is providing its public stockholders with the opportunity to redeem all or a portion of their shares of Silver Eagle common stock at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account as of two business days prior to the consummation of the Transaction, including interest, less franchise and income taxes payable, divided by the number of then outstanding shares of common stock that were sold as part of the units in Silver Eagle's initial public offering, which are referred to collectively as public shares, subject to the limitations described herein. For illustrative purposes, based on funds in the trust account of approximately \$324,849,061 on September 30, 2014 and estimated \$130,000 in taxes payable, the estimated per share redemption price would have been approximately \$9.99. **Public stockholders may elect to redeem their shares even if they vote for the Business Combination Proposal.** A public stockholder, together with any of his, her or its affiliates or any other person with whom it is acting in concert or as a "group" (as defined under Section 13 of the Securities Exchange Act of 1934, as amended), will be restricted from redeeming his, her or its shares with respect to more than an aggregate of 10% of the public shares. Holders of Silver Eagle's outstanding public warrants do not have redemption rights in connection with the Transaction. The holders of Silver Eagle shares issued prior to its initial public offering, which are referred to as "founder shares," have agreed to waive their redemption rights with respect to their founder shares and any other shares they may hold in connection with the consummation of the Transaction, and the founder shares will be excluded from the pro rata calculation used to determine the per-share redemption price. Currently, Global Eagle Acquisition LLC, which is one of the founders and is referred to as the "Sponsor," owns approximately 18.8% of Silver Eagle's issued and outstanding shares of common stock, consisting of approximately 94.1% of the founder shares.

Silver Eagle is providing this proxy statement/prospectus and accompanying proxy card to its stockholders and public warrant holders in connection with the solicitation of proxies to be voted at the special meetings and at any adjournments or postponements of the special meetings. **Whether or not you plan to attend the applicable special meeting(s), we urge you to read this proxy statement/prospectus (and any documents incorporated into this proxy statement/prospectus by reference) carefully. Please pay particular attention to the section entitled "Risk Factors," which begins on page 20 ..**

Silver Eagle's board of directors has unanimously approved the Contribution Agreement and Warrant Agreement Amendment and unanimously recommends that (i) its stockholders vote FOR all of the proposals presented to its stockholders and (ii) its public warrant holders vote FOR all of the proposals presented to its public warrant holders. When you consider the board recommendation of these proposals, you should keep in mind that Silver Eagle's directors and officers have interests in the Transaction that may conflict with your interests as a stockholder or public warrant holder, as applicable. See the section entitled "Proposal No. 1 — Approval of the Business Combination — Interests of Silver Eagle's Directors or Executive Officers in the Transaction."

Approval of the Business Combination Proposal and the Plan of Dissolution Proposal requires the affirmative vote of holders of a majority of the outstanding shares of Silver Eagle common stock. The boards of directors of Silver Eagle and Videocon d2h have already approved the Contribution Agreement.

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Approval of the Warrant Amendment Proposal at the special meeting of public warrant holders requires the approval of holders of 65% of the outstanding public warrants. If the parties do not complete the Transaction, the warrant agreement will not be amended, even if warrant holders have previously approved the proposed amendment.

Silver Eagle has no specified maximum redemption threshold under its amended and restated certificate of incorporation. It is a condition to closing under the Contribution Agreement, however, that the Contribution Amount is at least \$200,850,000. Therefore, in order to satisfy the condition to closing, the maximum redemption threshold is the amount that would allow the Contribution Amount to be \$200,850,000. If, however, redemptions by Silver Eagle public stockholders cause Silver Eagle to be unable to meet this closing condition, then Videocon d2h will not be required to consummate the Transaction, although it may, in its sole discretion, waive this condition. In the event that Videocon d2h waives this condition, we do not intend to seek additional stockholder approval or to extend the time period in which our public stockholders can exercise their redemption rights. In no event, however, will Silver Eagle redeem public shares in an amount that would cause its net tangible assets to be less than \$5,000,001 immediately prior to the Contribution.

The Sponsor and Silver Eagle's executive officers and independent directors have agreed to vote their founder shares and any other shares held by them in favor of the Business Combination Proposal. Pursuant to the terms of the warrant agreement, the Sponsor is not permitted to vote the private placement warrants it holds in favor of the Warrant Amendment Proposal unless the registered holders of 65% of the public warrants vote in favor of the Warrant Amendment Proposal.

Your vote is very important. If you are a registered stockholder or public warrant holder, please submit proxies to have your shares or warrants, as applicable, voted as soon as possible using one of the following methods to ensure that your vote is counted, regardless of whether you expect to attend the applicable special meeting(s) in person: (1) call the toll-free number specified on the enclosed proxy card and follow the instructions when prompted, (2) access the Internet website specified on the enclosed proxy card and follow the instructions provided to you, or (3) complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided. If you hold your shares or warrants in "street name" through a bank, broker or other nominee, you will need to follow the instructions provided to you by your bank, broker or other nominee to ensure that your shares or warrants, as applicable, are represented and voted at the applicable special meeting(s). A failure to vote your shares is the equivalent of a vote "AGAINST" the Business Combination Proposal and the Plan of Dissolution Proposal but will have no effect on the other proposals for the special meeting of stockholders. A failure to vote your warrants is the equivalent of a vote "AGAINST" the Warrant Amendment Proposal but will have no effect on the other proposals for the special meeting of public warrant holders.

If you sign, date and return your proxy card without indicating how you wish to vote, your proxy will be voted in favor of each of the proposals presented at the special meetings. With respect to the proposals for the special meeting of stockholders, if you fail to return your proxy card or fail to submit your proxy by telephone or over the Internet, or fail to instruct your bank, broker or other nominee how to vote, and do not attend the special meeting in person, the effect will be that your shares will not be counted for purposes of determining whether a quorum is present at the special meeting of stockholders and, if a quorum is present, will have the same effect as a vote against the Business Combination Proposal and the Plan of Dissolution Proposal but will have no effect on the other proposals. With respect to the proposals for the special meeting of public warrant holders, if you fail to return your proxy card or fail to submit your proxy by telephone or over the Internet, or fail to instruct your bank, broker or other nominee how to vote, and do not attend the special meeting in person, the effect will be that your warrants will have the same effect as a vote against the Warrant Amendment Proposal but will have no effect on the other proposals for the special meeting of public warrant holders. If you are a stockholder or public warrant holder of record and you attend the applicable special meeting(s) and wish to vote in person, you may withdraw your proxy and vote in person.

Silver Eagle's board of directors has fixed the close of business on March 2, 2015, as the record date for the determination of stockholders and public warrant holders entitled to notice of and to vote at the special meeting of stockholders and the special meeting of public warrant holders, respectively, and at any adjournments or postponements thereof.

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On behalf of the board of directors of Silver Eagle, I thank you for your support and we look forward to the successful completion of the Transaction.

Sincerely,

[], 2015

Harry E. Sloan
Chairman and Chief Executive Officer

This proxy statement/prospectus is dated March , 2015, and is first being mailed to stockholders and public warrant holders of Silver Eagle on or about March , 2015.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES REGULATORY AGENCY HAS APPROVED OR DISAPPROVED THE TRANSACTIONS DESCRIBED IN THIS PROXY STATEMENT/PROSPECTUS OR ANY OF THE SECURITIES TO BE ISSUED IN THE TRANSACTION, PASSED UPON THE MERITS OR FAIRNESS OF THE TRANSACTION OR RELATED TRANSACTIONS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE DISCLOSURE IN THIS PROXY STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY CONSTITUTES A CRIMINAL OFFENSE.

SILVER EAGLE ACQUISITION CORP.
1450 2nd Street, Suite 247
Santa Monica, California 90401

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
OF SILVER EAGLE ACQUISITION CORP.
To Be Held On [], 2015

To the Stockholders of Silver Eagle Acquisition Corp.:

NOTICE IS HEREBY GIVEN that a special meeting of stockholders (the “special meeting”) of Silver Eagle Acquisition Corp., a Delaware corporation (“Silver Eagle” or the “Company”), will be held at [] [a.m.][p.m.], Eastern time, on [], 2015, at the offices of McDermott Will & Emery LLP, 340 Madison Avenue, New York, New York. You are cordially invited to attend the special meeting for the following purposes:

(1) *The Business Combination Proposal* — to consider and vote upon a proposal to approve the Contribution Agreement, dated as of December 31, 2014, as amended as of February 3, 2015 and as may be further amended (the “Contribution Agreement”), by and between Videocon d2h Limited, a company incorporated in the Republic of India (“Videocon d2h”), and Silver Eagle, and the transactions contemplated thereby (the “Business Combination Proposal”);

(2) *The Plan of Dissolution Proposal* — to consider and vote upon a proposal to approve the dissolution of Silver Eagle, including a plan of dissolution, which provides for the liquidation and dissolution of Silver Eagle following the Transaction, subject to the approval of the Business Combination Proposal and the closing of the Transaction (the “Plan of Dissolution Proposal”);

(3) *The Adjournment Proposal* — to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if the Company determines that there are not sufficient votes to approve one or more proposals presented at the special meeting of stockholders or that one or more closing conditions under the Contribution Agreement will not be satisfied (the “Adjournment Proposal”); and

(4) to consider and transact such other procedural matters as may properly come before the special meeting or any adjournment or postponement thereof.

Only holders of record of Silver Eagle’s common stock at the close of business on March 2, 2015 are entitled to notice of the special meeting of stockholders and to vote at the special meeting and any adjournments or postponements of the special meeting. A complete list of Silver Eagle stockholders of record entitled to vote at the special meeting will be available for ten days before the special meeting at Silver Eagle’s principal executive offices for inspection by stockholders during ordinary business hours for any purpose germane to the special meeting.

Silver Eagle is also holding a special meeting of its public warrant holders where its public warrant holders will be asked to consider and vote on a proposal, which we refer to as the “Warrant Amendment Proposal,” to approve and consent to amend the terms of the warrant agreement governing Silver Eagle’s outstanding warrants to provide that, upon the consummation of the Transaction, each of Silver Eagle’s outstanding warrants, which entitle the holder thereof to purchase one-half of one share of Silver Eagle common stock, will be exchanged for cash in the amount of \$1.00.

Pursuant to Silver Eagle’s amended and restated certificate of incorporation, Silver Eagle is providing its public stockholders with the opportunity to redeem their shares of Silver Eagle common stock for cash equal to their pro rata share of the aggregate amount on deposit in the trust account which holds the proceeds of Silver Eagle’s initial public offering as of two business days prior to the consummation of the transactions contemplated by the Contribution Agreement, including interest, less franchise and income taxes payable, upon the closing of the Transaction. For illustrative purposes, based on funds in the trust account of approximately \$324,849,061 on September 30, 2014 and estimated \$130,000 in taxes payable, the estimated per share redemption price would have been approximately \$9.99. **Public stockholders may elect to redeem their shares even if they vote for the Business Combination Proposal.** A public stockholder, together with any of his, her or its affiliates or any other person with whom it is acting in concert or as a “group” (as defined under Section 13 of the Securities Exchange Act of 1934, as amended), will be restricted from

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redeeming his, her or its shares with respect to more than an aggregate of 10% of the public shares. The holders of Silver Eagle shares issued prior to its initial public offering (“founder shares”) have agreed to waive their redemption rights with respect to their founder shares and any other shares they may hold in connection with the consummation of the Transaction, and the founder shares will be excluded from the pro rata calculation used to determine the per-share redemption price. Currently, Global Eagle Acquisition LLC, Silver Eagle’s sponsor, owns approximately 18.8% of Silver Eagle’s issued and outstanding shares of common stock, consisting of 94.1% of the founder shares.

The Transaction will be consummated only if a majority of the outstanding shares of Silver Eagle common stock are voted in favor of the Business Combination Proposal and the Plan of Dissolution Proposal. Silver Eagle has no specified maximum redemption threshold under its amended and restated certificate of incorporation. It is a condition to closing under the Contribution Agreement, however, that the Contribution Amount is at least \$200,850,000. Any redemptions of public shares by public stockholders will decrease the amount in Silver Eagle’s trust account. Therefore, in order to satisfy the closing condition, the maximum redemption threshold is the amount that would allow the Contribution Amount to be \$200,850,000. If, however, redemptions by public stockholders cause Silver Eagle to be unable to meet this closing condition, then Videocon d2h will not be required to consummate the Transaction, although it may, in its sole discretion, waive this condition. In the event that Videocon d2h waives this condition, we do not intend to seek additional shareholder approval or to extend the time period in which our public stockholders can exercise their redemption rights. In no event, however, will Silver Eagle redeem public shares in an amount that would cause its net tangible assets to be less than \$5,000,001 immediately prior to the Contribution.

Your vote is very important. If you are a public stockholder, please submit your proxy as soon as possible using one of the following methods to ensure that your vote is counted, regardless of whether you expect to attend the special meeting of public stockholders in person: (1) call the toll-free number specified on the enclosed proxy card and follow the instructions when prompted, (2) access the Internet website specified on the enclosed proxy card and follow the instructions provided to you, or (3) complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided. If you hold your shares in “street name” through a bank, broker or other nominee, you will need to follow the instructions provided to you by your bank, broker or other nominee to ensure that your shares are represented and voted at the special meeting of public stockholders.

Your attention is directed to the proxy statement/prospectus accompanying this notice (including the annexes thereto) for a more complete description of the proposed Transaction and related transactions and each of the proposals to be voted upon. We encourage you to read this proxy statement/prospectus carefully. If you have any questions or need assistance voting your shares, please call Silver Eagle’s proxy solicitor, Morrow & Co., LLC, at (800) 662-5200.

By Order of the Board of Directors,

[], 2015

James A. Graf
Secretary

SILVER EAGLE ACQUISITION CORP.
1450 2nd Street, Suite 247
Santa Monica, California 90401

NOTICE OF SPECIAL MEETING OF WARRANTHOLDERS
OF SILVER EAGLE ACQUISITION CORP.
To Be Held On [], 2015

To the Public Warrantholders of Silver Eagle Acquisition Corp.:

NOTICE IS HEREBY GIVEN that a special meeting of public warrantholders (the “special meeting”) of Silver Eagle Acquisition Corp., a Delaware corporation (“Silver Eagle” or the “Company”), owning warrants originally issued in the Company’s initial public offering, will be held at [] [a.m.][p.m.], Eastern time, on [], 2015, at the offices of McDermott Will & Emery LLP, 340 Madison Avenue, New York, New York. You are cordially invited to attend the special meeting for the following purposes:

(1) *The Warrant Amendment Proposal* — to consider and vote upon an amendment (the “Warrant Amendment”) to the warrant agreement that governs all of Silver Eagle’s warrants to provide that, upon consummation of the transactions contemplated by the Contribution Agreement, dated December 31, 2014, as amended as of February 3, 2015, and as may be further amended by and between Videocon d2h Limited and Silver Eagle, (the “Contribution Agreement”), each outstanding Silver Eagle warrant will be exchanged for cash in the amount of \$1.00;

(2) *The Warrantholder Adjournment Proposal* — to consider and vote upon a proposal to adjourn the special meeting of public warrantholders to a later date or dates, if necessary, to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the special meeting of public warrantholders, there are not sufficient votes to approve the Warrant Amendment Proposal (the “Warrantholder Adjournment Proposal”); and

(3) to consider and transact such other procedural matters as may properly come before the special meeting of public warrantholders or any adjournment or postponement thereof.

Only holders of record of Silver Eagle public warrants at the close of business on March 2, 2015 are entitled to notice of the special meeting of public warrantholders and to vote at the special meeting of public warrantholders and any adjournments or postponements of the special meeting of public warrantholders. A complete list of the public warrantholders of record entitled to vote at the special meeting of public warrantholders will be available for ten days before the special meeting of public warrantholders at Silver Eagle’s principal executive offices for inspection by warrantholders during ordinary business hours for any purpose germane to the special meeting.

Silver Eagle is also holding a special meeting of stockholders to consider and vote upon proposals (a) to approve the Contribution Agreement and the transactions contemplated thereby, which is referred to as the Business Combination Proposal, and (b) to approve the dissolution of Silver Eagle, including a plan of dissolution for Silver Eagle.

Approval of the Warrant Amendment Proposal requires the affirmative vote of holders of 65% of the public warrants. In addition, the Warrant Amendment Proposal will be contingent upon Silver Eagle’s stockholders approving Business Combination Proposal at the special meeting of stockholders and consummating the transaction contemplated thereby. Approval of the Business Combination Proposal requires the affirmative vote of holders of a majority of the outstanding shares of common stock of Silver Eagle.

Your vote is very important. If you are a public warrantholder, please vote as soon as possible using one of the following methods to ensure that your vote is counted, regardless of whether you expect to attend the special meeting of public warrantholders in person: (1) call the toll-free number specified on the enclosed proxy card and follow the instructions when prompted, (2) access the Internet website specified on the enclosed proxy card and follow the instructions provided to you, or (3) complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided. If you hold your public warrants in “street name” through a bank, broker or other nominee, you will need to follow the instructions provided to you by your bank, broker or other nominee to ensure that your warrants are represented and voted at the special meeting of public warrantholders.

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If you sign, date and return your proxy card without indicating how you wish to vote, your proxy will be voted in favor of each of the proposals presented at the special meeting of public warrant holders. If you fail to return your proxy card or fail to submit your proxy by telephone or over the Internet, or fail to instruct your bank, broker or other nominee how to vote, and do not attend the special meeting of public warrant holders in person, the effect will be that your warrants will have the same effect as a vote against the Warrant Amendment Proposal. If you are a public warrant holder of record and you attend the special meeting of public warrant holders and wish to vote in person, you may withdraw your proxy and vote in person.

On behalf of the board of directors of Silver Eagle, I thank you for your participation and look forward to your continued support.

By Order of the Board of Directors,

[], 2015

James A. Graf
Secretary

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* The schedules and exhibits to the Contribution Agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Silver Eagle hereby agrees to furnish supplementally a copy of any omitted schedules or exhibits to the staff of the SEC upon request.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This document, which forms part of a registration statement on Form F-4 filed with the U.S. Securities and Exchange Commission, or SEC, by Videocon d2h (File No. 333-201870), constitutes a prospectus of Videocon d2h under Section 5 of the U.S. Securities Act of 1933, as amended, or the Securities Act, with respect to the Videocon d2h equity shares underlying the Videocon d2h ADSs to be issued to Silver Eagle stockholders if the Transaction is consummated. This document also constitutes notices of meetings and a proxy statement under Section 14(a) of the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act, with respect to the special meetings of (i) Silver Eagle stockholders, at which Silver Eagle stockholders will be asked to consider and vote upon a proposal to approve the transactions contemplated by the Contribution Agreement, among other matters, and (ii) Silver Eagle warrant holders, at which Silver Eagle public warrant holders will be asked to approve an amendment to the warrant agreement which governs the terms of Silver Eagle's outstanding warrants in connection with Silver Eagle's consummation of the transactions contemplated by the Contribution Agreement.

Certain holders of Videocon d2h ADSs after the Transaction identified in this proxy statement/prospectus under the heading "Selling Shareholders" (referred to as the selling shareholders) may offer for sale and sell Videocon d2h ADSs they receive in the Transaction. The exact number of Videocon d2h ADSs to be received by the selling shareholders will depend on the total number of Videocon d2h ADSs that are issued in the Transaction, as described in this proxy statement/prospectus. All of the ADSs that may be offered for resale by the selling shareholders hereunder will have been received by the selling shareholders in the Transaction.

Videocon d2h will not receive any proceeds from any such offer or sale by the selling shareholders.

The selling shareholders may sell such Videocon d2h ADSs from time to time directly to purchasers or through underwriters, broker-dealers or agents, at fixed prices, at prevailing market prices at the time of sale, at varying prices or negotiated prices, by a variety of methods including the following:

- in negotiated transactions;
- in the trading markets for Videocon d2h ADSs;
- in the over-the-counter market or on any national securities exchange on which Videocon d2h ADSs may be listed or quoted at the time of sale;
- in transactions otherwise than on such exchanges or in the over-the-counter market;
- through a combination of any such methods; or
- through any other method permitted under applicable law.

CONVENTIONS WHICH APPLY TO THIS PROXY STATEMENT/PROSPECTUS

In this proxy statement/prospectus, unless otherwise specified or the context otherwise requires:

- "\$," "US\$" and "U.S. dollar" each refer to the United States dollar; and
- "Rs.," "INR" and "rupee" each refer to the Indian rupee, the official currency of the Republic of India.

IMPORTANT INFORMATION ABOUT IFRS AND NON-IFRS FINANCIAL MEASURES

Videocon d2h's audited financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and referred to in this proxy statement/prospectus as "IFRS."

Videocon d2h refers in various places within this proxy statement/prospectus to EBITDA which is a non-IFRS measure that is calculated as earnings before interest, tax and depreciation and amortization and more fully explained in "Videocon d2h's Operating and Financial Review and Prospects." The presentation of this non-IFRS information is not meant to be considered in isolation or as a substitute for Videocon d2h's consolidated financial results prepared in accordance with IFRS.

INDUSTRY AND MARKET DATA

In this proxy statement/prospectus, Videocon d2h relies on and refers to information and statistics regarding market shares in the sectors in which it competes and other industry data. Videocon d2h obtained this information and statistics from third-party sources, including reports by market research firms, such as Media Partners Asia, Ltd. Videocon d2h has supplemented this information where necessary with information from discussions with Videocon d2h customers and its own internal estimates, taking into account publicly available information about other industry participants and Videocon d2h's management's best view as to information that is not publicly available.

FREQUENTLY USED TERMS

Unless otherwise stated or unless the context otherwise requires, the terms the "Company" and "Silver Eagle" refer to Silver Eagle Acquisition Corp., and the term "post-Transaction company" refers to Videocon d2h following the consummation of the Transaction.

In this document:

"ADS" means an American Depositary Share.

"add-on" means individual channels or a set of channels that subscribers may add to their current subscription package.

"a la carte" means a subscription package whereby subscribers can create a custom subscription package.

"Antrix Corporation" means the commercial division of the Department of Space, Government of India.

"ARPU" means Average Revenue Per User.

"Banca Intesa" refers to Banca Intesa Mediocredito S.p.A.

"BSE" refers to BSE Limited, located in Mumbai, Maharashtra, India.

"Contribution" means the contribution of cash by Silver Eagle to Videocon d2h in exchange for equity shares of Videocon d2h, represented by ADSs, pursuant to the terms of the Contribution Agreement.

"Contribution Agreement" means the Contribution Agreement, dated as of December 31, 2014, as amended as of February 3, 2015, and as may be further amended, by and between Videocon d2h and Silver Eagle.

"Contribution Amount" means the amount of funds held in the trust account that holds the proceeds of Silver Eagle's initial public offering that are contributed to Videocon d2h in the Transaction, less certain transaction expenses, amounts used to pay Silver Eagle stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal, amounts payable to warrant holders and reserves for liquidation and dissolution expenses, that is contributed to Videocon d2h in the Transaction.

"CPC" refers to the Code of Civil Procedure, 1908 of India.

"DAS" means Digital Addressable Cable TV System.

"Department of Space" refers to the Department of Space, Government of India.

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“DTH” means Direct-to-Home satellite, a means of receiving signals transmitted from direct broadcast satellites.

“DTH Guidelines” means Guidelines for Obtaining License for Providing Direct-To-Home (DTH) Broadcasting Service in India issued by the Ministry of Information and Broadcasting, Government of India on March 15, 2001, as amended from time to time.

“DTH License Agreement” means License Agreement, dated December 28, 2007, executed between Videocon d2h and the President of India acting through the Director, Broadcasting, Policy and Legislation, Ministry of Information and Broadcasting, Government of India.

“DVB-S2” means Digital Video Broadcasting – Satellite – Second Generation, a successor to the original digital video broadcasting standard for satellite TV.

“Electronic Program Guide” means a graphical user interface that allows subscribers to browse channels and program schedules.

“equity shares” means the equity shares of Videocon d2h with face value of Rs.10 each.

“ESOP 2014” means the Videocon d2h Employees Stock Option Scheme 2014, adopted by Videocon d2h on August 1, 2014, subject to the approval of the MIB.

“founder shares” means the shares of Silver Eagle common stock issued prior to Silver Eagle’s initial public offering.

“founders” means the Sponsor, Dennis A. Miller and Silver Eagle’s executive officers and independent directors.

“GNIDA” refers to the Greater Noida Industrial Development Authority.

“GoI” refers to the Government of India.

“Gross subscribers” means total registered subscribers.

“HD” means High Definition.

“HD 3D Active Channel Service” means a service offered by Videocon d2h providing a variety of HD 3D contents.

“IFRS” refers to International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

“Indian Companies Act” means together, the notified provisions of the Companies Act, 2013 (along with applicable rules framed thereunder) and the Companies Act, 1956, as amended (to the extent in force).

“Intesa” refers to Intesa Sanpaolo S.p.A.

“IPTV” means Internet Protocol Television.

“Issue” means the Issue of equity shares underlying the ADSs pursuant to the Contribution Agreement.

“Ku-Band” means the 12-18 GHz portion of the electromagnetic spectrum in the microwave range of frequencies primarily used for satellite communications.

“Ku-Band Lease Agreement” means a Ku-Band Lease Agreement dated April 19, 2012 as amended on June 19, 2013 entered into between Videocon d2h and the Department of Space, Government of India, which expired on February 28, 2015.

“LNBF” means low-noise block filter.

“Long-Term Recharge Offers” means rewards offered to subscribers who have subscribed to Videocon d2h’s services for a duration of at least three months.

“MHz” means Megahertz.

“MIB” refers to Ministry of Information and Broadcasting, Government of India.

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“MPA Report” refers to “*Indian DTH Market Overview — Key Dynamics & Future Outlook 2015*, a report prepared by Media Partners Asia, Ltd, an independent provider of information services, focusing on media, communications, and entertainment industries.

“Movie Channel Services” means three movie channel services offered by Videocon d2h, two of which are available for all subscription packages for no additional charge, and one of which (d2h cinema) is available for an additional charge subscribed on a monthly basis.

“MPEG-4” refers to a method of defining compression of audio and visual digital data, a designated standard approved by the Moving Picture Experts Group (MPEG).

“NASDAQ” means the NASDAQ Stock Market LLC.

“Net subscribers” means subscribers authorized to receive DTH broadcasting services on account of payment of subscription charges or any entry offer at the time of initial connection, as well as subscribers who are temporarily disconnected due to non payment of subscription charges for a period not exceeding 120 days.

“NSE” refers to the National Stock Exchange of India Limited, located in Mumbai, Maharashtra, India.

“Patronage letters” refers to patronage letters dated June 1, 2007 and June 5, 2007 issued by Videocon Industries Limited in favor of Intesa Sanpaolo S.p.A. in relation to the loan to VDC Technologies S.p.A.

“Prospectus” means the prospectus included in the Registration Statement on Form F-4 (Registration No. 333-201870) filed with the U.S. Securities Exchange Commission.

“Principal Shareholders” means Mr. Saurabh Pradipkumar Dhoot, Synergy Appliances Private Limited, Solitaire Appliances Private Limited, Greenfield Appliances Private Limited, Platinum Appliances Private Limited, Shree Dhoot Trading and Agencies Limited and Dome-Bell Electronics India Private Limited.

“private placement warrants” means the warrant to purchase Silver Eagle common stock purchased by the Sponsor and Dennis A. Miller in a private placement in connection with Silver Eagle’s initial public offering.

“public shares” means shares of Silver Eagle common stock issued as part of the units sold in Silver Eagle’s initial public offering.

“public stockholders” means the holders of public shares, other than the founders.

“public warrants” means the warrants included in the units sold in Silver Eagle’s initial public offering, each of which is exercisable for one half of one share of Silver Eagle common stock, in accordance with its terms.

“public warrant holders” means holders of the public warrants.

“RBI” means the Reserve Bank of India.

“recharge” means the payments made by a subscriber from time to time in order to receive the services offered by Videocon d2h.

“SD” means Standard Definition.

“SEAC” or “Silver Eagle” means Silver Eagle Acquisition Corp., a Delaware corporation.

“SEBI” means the Securities and Exchange Board of India.

“SEC” means the U.S. Securities Exchange Commission.

“Silver Eagle common stock” means common stock, par value \$0.0001 per share, of Silver Eagle.

“SingTel” refers to Singapore Telecommunications Limited.

“Sponsor” means Global Eagle Acquisition LLC.

“ST-2”/“ST-2 satellite” refers to a telecommunications satellite made by Mitsubishi Electric, operated by the ST-2 Satellite Ventures joint company of SingTel and Chunghwa Telecom.

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“TDSAT” refers to the Telecom Disputes Settlement Appellate Tribunal.

“TEL” refers to Trend Electronics Limited, a Videocon Group entity.

“Tickers” means flash items appearing at the bottom of the screen as a running scroll which can be viewed by subscribers simultaneously with TV channels, displaying sports scores, stock market information and a variety of news, including Bollywood, politics, science and technology, business, lifestyle and general news.

“TRAI” refers to Telecom Regulatory Authority of India.

“Transaction” means the transactions contemplated by the Contribution Agreement.

“trust account” means the trust account that holds a portion of the proceeds of Silver Eagle’s initial public offering and the concurrent sale of the private placement warrants to the Sponsor and Dennis A. Miller.

“VDC” refers to VDC Technologies S.p.A., a company incorporated in Italy, which is a former indirect subsidiary of Videocon Industries Limited.

“Videocon d2h” means Videocon d2h Limited, a public limited company organized under the laws of the Republic of India.

“Videocon Group” means the group of entities controlled by Mr. Venugopal Nandlal Dhoot, Mr. Rajkumar Nandlal Dhoot and/or Mr. Pradipkumar Nandlal Dhoot.

“Videocon Industries” or “VIL” refers to Videocon Industries Limited, the Videocon Group’s flagship entity with its securities listed on the BSE, the NSE, the Luxemburg Stock Exchange and the Singapore Stock Exchange.

“Warrant Amendment” means the amendment of the warrant agreement governing Silver Eagle’s outstanding warrants to provide that, upon the consummation of the Transaction, each outstanding public warrant will be exchanged for cash in the amount of \$1.00.

“12 Picture-in-Picture Mosaic” means a feature allowing a subscriber to view an on-screen mosaic of current programming of up to 12 channels to choose a channel for viewing.

**QUESTIONS AND ANSWERS ABOUT THE PROPOSALS
FOR STOCKHOLDERS AND PUBLIC WARRANTHOLDERS**

The following questions and answers briefly address some commonly asked questions about the proposals to be presented at the special meetings of stockholders and public warrant holders, including with respect to the proposed Transaction. The following questions and answers may not include all the information that is important to Silver Eagle stockholders and public warrant holders. Stockholders and public warrant holders are urged to read carefully this entire proxy statement/prospectus, including the annexes and the other documents referred to herein.

Q: Why am I receiving this proxy statement/prospectus?

A: Silver Eagle has entered into the Contribution Agreement with Videocon d2h and the other parties thereto pursuant to which Silver Eagle has agreed to contribute the Contribution Amount in exchange for equity shares of Videocon d2h. Silver Eagle estimates that the shares issued by Videocon d2h will constitute between 33.42% and 38.42% of the issued share capital of Videocon d2h, depending on the number of shares redeemed by Silver Eagle's public stockholders. The Videocon d2h equity shares will be represented by Videocon d2h ADSs, with each ADS representing four Videocon d2h equity shares. The current shareholders of Videocon d2h and the Sponsor will be entitled to be issued additional Videocon d2h shares and Videocon d2h ADSs, respectively, following the closing, subject to the achievement of certain ADS price targets for a specified period following the closing. **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.** See "*Summary—Videocon d2h Equity Shares and ADSs to be Issued in the Transaction*" and "*Unaudited Pro Forma Condensed Financial Information*" for further information. As soon as reasonably practicable after the closing of the Transaction, Silver Eagle's stockholders will receive Videocon d2h ADSs in proportion to their stockholdings in Silver Eagle and Silver Eagle will dissolve and liquidate. A copy of the Contribution Agreement is attached to this proxy statement/prospectus as Annex A. In addition, Silver Eagle is proposing to amend the agreement governing its outstanding warrants to provide that each outstanding public warrant of Silver Eagle will be exchanged for cash in the amount of \$1.00. The Sponsor and Dennis A. Miller have agreed to forfeit to Silver Eagle for no consideration 15,000,000 private placement warrants held by them. Accordingly, the private placement warrants will not be eligible to be exchanged for cash pursuant to the Warrant Amendment Proposal. A copy of the form of amendment to the warrant agreement is attached to this prospectus as Annex E.

Silver Eagle stockholders are being asked to consider and vote upon a proposal to approve the Contribution Agreement and the transactions contemplated thereby, among other proposals, and its public warrant holders are being asked to consider and vote upon a proposal to approve an amendment to the warrant agreement that governs Silver Eagle's outstanding warrants.

Silver Eagle common stock, units and warrants are currently quoted on the OTCQB under the symbols "EAGL," "EAGLU" and "EAGLW," respectively. Videocon d2h intends to apply to list the ADSs that will be issued to Silver Eagle stockholders in the Transaction on NASDAQ under the symbol "VDTH" upon the closing of the Transaction.

This proxy statement/prospectus and its annexes contain important information about the proposed Transaction and the other matters to be acted upon at the special meetings. You should read this proxy statement/prospectus and its annexes carefully and in their entirety. This document also constitutes a prospectus with respect to the issuance by Videocon d2h of its equity shares, which will be represented by the ADSs.

Your vote is important. You are encouraged to submit your proxy as soon as possible after carefully reviewing this proxy statement/prospectus and its annexes.

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Q: What is being voted on at the special meetings?

A: Below are proposals on which Silver Eagle stockholders and public warrant holders are being asked to vote.

Proposals for the Special Meeting of Stockholders

1. To approve the Contribution Agreement and the transactions contemplated thereby (this proposal is referred to herein as the “Business Combination Proposal”);
2. To approve the dissolution of Silver Eagle, including a plan of dissolution, which provides for the liquidation and dissolution of Silver Eagle following the Transaction, subject to the approval of the Business Combination Proposal and the closing of the Transaction (this proposal is referred to herein as the “Plan of Dissolution Proposal”); and
3. To approve the adjournment of the special meeting of stockholders to a later date or dates, if the Company determines that there are not sufficient votes to approve one or more proposals presented at the special meeting of stockholders or the special meeting of warrant holders or that one or more closing conditions under the Contribution Agreement will not be satisfied (this proposal is referred to herein as the “Adjournment Proposal”).

Proposals for the Special Meeting of Warrant Holders

1. To approve an amendment (the “Warrant Amendment”) to the warrant agreement that governs all of the outstanding warrants of Silver Eagle to provide that, upon the consummation of the Transaction, each of Silver Eagle’s outstanding warrants, which entitle the holder thereof to purchase one-half of one share of Silver Eagle common stock, will be exchanged for cash in the amount of \$1.00; and
2. To approve the adjournment of the special meeting of public warrant holders to a later date or dates, if necessary, to permit further solicitation and vote of proxies (this proposal is referred to herein as the “Warrant Holder Adjournment Proposal”) in the event that, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve the Warrant Amendment Proposal.

Q: Are the proposals conditioned on one another?

A: The Business Combination Proposal is conditioned upon the Plan of Dissolution Proposal. The Plan of Dissolution Proposal and the Warrant Amendment Proposal are each conditioned on the Business Combination Proposal. The Adjournment Proposal and Warrant Holder Adjournment Proposal (which are collectively referred to herein as the “Adjournment Proposals”) do not require the approval of any other proposal to be effective. It is important for you to note that in the event that the Business Combination Proposal is not approved, then Silver Eagle will not consummate the Transaction. If Silver Eagle does not consummate the Transaction and fails to complete an initial business combination by April 30, 2015 (or July 30, 2015 if it has entered into a letter of intent, agreement in principle or definitive agreement for an initial business combination by April 30, 2015 but has not completed the initial business combination by that date), Silver Eagle will be required to dissolve and liquidate the trust account.

Q: Why is Silver Eagle proposing the Business Combination Proposal?

A: Silver Eagle was organized for the purpose of effecting merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. In particular, it has sought to focus on the media or entertainment industries, though it is not limited to any particular industry or sector.

Silver Eagle consummated its initial public offering on July 30, 2013. Approximately \$325 million of the proceeds of its initial public offering and the private placement of private placement warrants was placed in a trust account immediately following the initial public offering and, in accordance with Silver Eagle’s amended and restated certificate of incorporation, will be released upon the consummation of the Transaction. See the question entitled “What happens to the funds held in the trust account upon consummation of the Transaction?”

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The Transaction constitutes the initial business combination of Silver Eagle. Therefore, under Silver Eagle's amended and restated certificate of incorporation, it is providing all holders of public shares with the opportunity to have their public shares redeemed upon the consummation of the Transaction.

Q: Why is Silver Eagle holding a special meeting of public warrant holders?

A: At a special meeting of public warrant holders, Silver Eagle will ask its public warrant holders to approve and consent to amend to the terms of the warrant agreement governing Silver Eagle's outstanding warrants, to provide that, upon the consummation of the Transaction, each of Silver Eagle's outstanding warrants, which entitle the holder thereof to purchase one-half of one share of Silver Eagle common stock, will be exchanged for cash in the amount of \$1.00 (the "Warrant Amendment Proposal"). The Sponsor and Dennis A. Miller have agreed to forfeit to Silver Eagle 15,000,000 private placement warrants held by them for no consideration. Accordingly, the private placement warrants will not be eligible to be exchanged for cash pursuant to the Warrant Amendment Proposal. If the Transaction is not completed, the Warrant Amendment will not become effective, even if the public warrant holders have approved the Warrant Amendment Proposal. If the Warrant Amendment is not approved but the Business Combination Proposal and the Plan of Dissolution Proposal are both approved, then all public warrants will remain outstanding and be exercisable for Silver Eagle common stock beginning 30 days after completion of the Transaction. Upon Silver Eagle's dissolution in accordance with Delaware law, all unexercised warrants that remain outstanding will expire, and Silver Eagle will wind up its affairs and, subject to applicable law, distribute any remaining assets it has, except for any cash, property or assets retained to satisfy the claims and obligations of Silver Eagle. The holders of the private placement warrants are not permitted to vote the private placement warrants on the Warrant Amendment Proposal unless the registered holders of 65% of the public warrants vote in favor of the Warrant Amendment Proposal.

In addition, at the special meeting of public warrant holders, holders of public warrants will also be asked to approve a proposal to approve the adjournment of the special meeting of public warrant holders to a later date or dates, if necessary, to permit further solicitation and vote of proxies in the event that, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve the Warrant Amendment Proposal. This is referred to herein as the Warrant Holder Adjournment Proposal. This proposal will only be presented at the special meeting of public warrant holders if there are not sufficient votes to approve the Warrant Amendment Proposal.

Q: Why is Silver Eagle proposing the Warrant Amendment Proposal?

A: Silver Eagle is proposing the Warrant Amendment Proposal because Videocon d2h was not willing to issue warrants in exchange for Silver Eagle warrants in connection with the Transaction. If the Transaction is not completed, the Warrant Amendment will not become effective, even if the public warrant holders have approved the Warrant Amendment Proposal. Under the terms of the warrant agreement governing Silver Eagle's warrants, approval of the Warrant Amendment Proposal requires the affirmative vote of the holders of 65% of the outstanding public warrants as of the record date.

Q: What will happen in the Transaction?

A: At the closing of the Transaction, Silver Eagle will contribute the Contribution Amount to Videocon d2h in exchange for equity shares of Videocon d2h. Silver Eagle estimates that the shares issued by Videocon d2h will constitute between 33.42% and 38.42% of the issued share capital of Videocon d2h, depending on the number of shares redeemed by Silver Eagle's public stockholders. The Videocon d2h equity shares will be represented by Videocon d2h ADSs, with each ADS representing four Videocon d2h equity shares. As soon as reasonably practicable after the closing of the Transaction, Silver Eagle's stockholders will receive Videocon d2h ADSs in proportion to their stockholdings in Silver Eagle and Silver Eagle will dissolve and liquidate. The current shareholders of Videocon d2h will be entitled to be issued additional Videocon d2h equity shares equal to 11.68 million Videocon d2h ADSs and the Sponsor will be entitled to be issued an additional 1.3 million Videocon d2h ADSs increasing ratably to a maximum of 2 million Videocon d2h ADSs, based on the applicable actual contribution amount following the closing subject to the achievement of certain ADS price targets for a specified period following the closing. The

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earn-out shares issued to the existing shareholders of Videocon d2h and the Sponsor will be issued by way of a bonus issue of shares (or such other form and determined by the independent members of the Board of Directors of Videocon d2h), in accordance with the applicable Indian laws. **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.** In addition, Silver Eagle is proposing to amend the agreement governing its outstanding warrants to provide that each outstanding public warrant of Silver Eagle will be exchanged for cash in the amount of \$1.00. The Sponsor and Dennis A. Miller have agreed to forfeit to Silver Eagle 15,000,000 private placement warrants held by them for no consideration. Accordingly, the private placement warrants will not be eligible to be exchanged for cash pursuant to the Warrant Amendment Proposal. As a result of the Transaction, Silver Eagle stockholders will become shareholders of Videocon d2h through holding ADSs which are expected to trade on NASDAQ following the consummation of the Transaction.

Q: What equity stake will current Silver Eagle stockholders hold in Videocon d2h after the closing?

A: Silver Eagle estimates that, upon completion of the Transaction, Silver Eagle's existing stockholders will retain an ownership interest of between 33.42% and 38.42% of the issued share capital of Videocon d2h, depending on the number of public shares that are redeemed. See "Summary — Videocon d2h Equity Shares and ADSs to be Issued in the Transaction" and "Unaudited Pro Forma Condensed Financial Information" for further information. These percentages assume that (a) Silver Eagle contributes between \$200.85 and \$273.35 million to Videocon d2h and (b) that between 22.71% and 0% of Silver Eagle stockholders properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal. If the actual facts are different than these assumptions, the percentage ownership retained by Silver Eagle's existing stockholders will be different.

The following table illustrates varying ownership levels based on the assumptions described above but assuming varying levels of redemptions by Silver Eagle stockholders:

Contribution Amount (US Dollars in Millions)	\$ 200.85	\$ 224.25	\$ 248.75	\$ 273.35
% of Silver Eagle Public Shares Redeemed	22.71%	15.38%	7.69%	0.00%
<u>Equity Ownership of Videocon d2h (Assuming No Earn-out)</u>				
Current Videocon d2h Shareholders	66.58%	64.88%	63.19%	61.58%
Silver Eagle Public Stockholders	27.64%	29.49%	31.33%	33.08%
Sponsor	5.78%	5.63%	5.48%	5.34%
<u>Equity Ownership of Videocon d2h (Assuming Full Earn-out)</u>				
Current Videocon d2h Shareholders	69.50%	67.80%	66.10%	64.49%
Silver Eagle Public Stockholders	24.19%	25.83%	27.47%	29.04%
Sponsor	6.31%	6.37%	6.42%	6.48%

Following the closing, the current shareholders of Videocon d2h and the Sponsor will be entitled to be issued additional equity shares of Videocon d2h and Videocon d2h ADSs, respectively, by way of a bonus issue of shares (or such other form of issuance as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with the applicable Indian laws, subject to the achievement of certain ADS price targets for a specified period following the closing. **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.** The current Videocon d2h shareholders will be entitled to be issued 46,720,000 equity shares under this earn-out, which is equal to 11.68 million Videocon d2h ADSs, and the Sponsor will be entitled to be issued an additional 1.3 million Videocon d2h ADSs (which is equal to 5.2 million Videocon d2h equity shares) increasing ratably to a maximum of 2 million Videocon d2h ADSs (which is equal to 8 million Videocon d2h equity shares), depending on the actual contribution amount in the Transaction. Assuming that Silver Eagle contributes \$273.35 million (the maximum amount) to Videocon d2h in the Transaction, then based

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on the value ascribed by the parties to the Videocon d2h ADSs in the Transaction of \$10.00 per ADS, the value of the equity shares represented by ADSs to be issued under these the earn-outs to the current Videocon d2h shareholders and the Sponsor would be \$116.8 million and \$20.0 million, respectively. Such equity shares and ADSs will only be issued, however, if the share price performance hurdles of the ADSs described below are satisfied. Accordingly, the actual value of the equity shares and ADS at the time of such issuance would likely be higher. Assuming that Silver Eagle contributes \$273.35 million (the maximum amount) to Videocon d2h in the Transaction and that following the transaction 50% of the equity shares represented by ADSs subject to the earn-outs are issued when the market price of the ADSs is \$12.50 and the remaining 50% of the equity shares represented by ADSs subject to the earn-outs are issued when the market price of the ADSs is \$15.00, then the aggregate value of the equity shares represented by ADSs that may be issued to the current Videocon d2h shareholders and the Sponsor under to the earn-outs would be \$160.6 million and \$27.5 million, respectively. The share price performance hurdles of the ADSs to which the issuance of additional equity shares represented by ADSs to the current Videocon d2h shareholders and the Sponsor are as follows: (i) 50% of the total number of equity shares subject to the earnout provision will be issued to the current stockholders of Videocon d2h and the Sponsor, respectively, if the last sales price of Videocon d2h ADSs on NASDAQ (converted into Indian rupees in accordance with the Contribution Agreement) equals or exceeds 125% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders in the Transaction (converted into Indian rupees in accordance with the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date, and (ii) the remaining 50% of the total number of equity shares subject to the earnout provision will be issued to the current stockholders of Videocon d2h and the Sponsor, respectively, if the last sales price of Videocon d2h ADSs on NASDAQ (converted into Indian rupees in accordance with the Contribution Agreement) equals or exceeds 150% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders in the Transaction (converted into Indian rupees in accordance with the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date. However, at any time prior to the satisfaction of these share price hurdles during the three year period following the closing date, if Videocon d2h files a draft red herring prospectus for an initial public offering in India, then all the unissued equity shares and ADSs subject to the above described earn-out provision shall be issued prior to filing of such draft red herring prospectus, provided however that necessary actions will be taken in accordance with applicable law to cause the effect of 50% of such issuance to be nullified if the last sales price of the Videocon d2h ADSs on NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) does not equal or exceed 125% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees in accordance with the Contribution Agreement) and the effect of the remaining 50% of such issuance to be nullified if the last sales price of the Videocon d2h ADSs on the NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 150% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees in accordance with the Contribution Agreement). Videocon d2h does not currently have a plan to pursue an initial public offering in India if it closes this Transaction, although it may seek to pursue an initial public offering in India in the future.

Q: How will the founder shares be treated in the Transaction?

A: Immediately prior to the closing of the Transaction, the Sponsor, Dennis A. Miller and our independent directors will forfeit, in the aggregate, 2,875,000 founder shares, 2,031,250 of which will be “founder earnout shares” as described in the prospectus for Silver Eagle’s initial public offering which are subject to forfeiture if certain share price targets are not met following the closing of Silver Eagle’s business combination transaction. This represents forfeiture of all of the founder earnout shares held by our founders. Following such forfeiture, the Sponsor, Dennis A. Miller and the independent directors of Silver Eagle, will hold, in the aggregate, 5,235,000 founder shares. Under the Contribution Agreement,

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following the closing of the Transaction, Videocon d2h is required to issue the Sponsor an additional 1.3 million ADSs (amounting to a value of US\$13.0 million based on the initial price of \$10.00 per ADS, which is the value ascribed by the parties to the Transaction to the Videocon d2h ADSs to be issued at closing) increasing ratably to a maximum of an additional 2.0 million ADSs (amounting to a value of US\$20.0 million based on the initial price of \$10.00 per ADS, which is the value ascribed by the parties to the Transaction to the Videocon d2h ADSs to be issued at closing), based on the applicable actual Contribution Amount contributed by Silver Eagle to Videocon d2h, by way of a bonus issue (or such other form of issue as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian laws. **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.**

In addition to receiving ADSs in respect of 5,235,000 founder shares held at closing, the following table sets forth the number of additional Videocon d2h equity shares (represented by ADSs) that the Sponsor will be entitled to receive from Videocon d2h based on varying contribution levels, and based on the post-closing price performance of the ADSs for the three-year period following the closing, as described above.

<u>Contribution</u>	<u>Amount</u>	<u>Equity Shares that may be Issued to Founders</u>	<u>ADSs Representing Equity Shares that may be Issued to Founders</u>	<u>Value of ADSs Representing Equity Shares that may be Issued to Founders⁽¹⁾</u>
Minimum	\$ 200,850,000	5.2 million	1.3 million	\$ 13,000,000
Median	\$ 237,100,000	6.6 million	1.7 million	\$ 17,000,000
Maximum	\$ 273,350,000	8.0 million	2.0 million	\$ 20,000,000

(1) Based on the initial price of \$10.00 per ADS, which is the value ascribed by the parties to the Transaction to the Videocon d2h ADSs to be issued at closing.

Q: Has Silver Eagle obtained a fairness opinion in connection with the Contribution?

A: No.

Q: Is the Transaction the first step in a “going-private” transaction?

A: The Transaction is not intended to be the first step in a “going-private” transaction. Indeed, one of the primary purposes of the Transaction is to provide a platform for Videocon d2h to access the U.S. public markets.

Q: What conditions must be satisfied to complete the Transaction?

A: There are a number of closing conditions in the Contribution Agreement, including (i) that Silver Eagle stockholders approve the Business Combination Proposal, (ii) that the Contribution Amount is at least \$200,850,000, and (iii) that Videocon d2h receive certain regulatory approvals, among others, from the Ministry of Information and Broadcasting, Government of India, or MIB. For a summary of the conditions that must be satisfied or waived prior to completion of the Transaction, see the section entitled “*Proposal No. 1 — Approval of the Business Combination — The Contribution Agreement.*”

Q: Why is Silver Eagle proposing the Plan of Dissolution Proposal?

A: If the Business Combination Proposal is approved and the Transaction is consummated, Silver Eagle will have completed its initial business combination transaction by contributing to Videocon d2h all of the cash held in the trust account, less transaction expenses, amounts due to public stockholders who properly exercise their redemption rights, payments to warrant holders and reserves for liquidation and dissolution expenses in exchange for Videocon d2h equity shares, represented by ADSs. Silver Eagle’s board of directors has determined that dissolving Silver Eagle as a legal entity after completion of the Transaction is in the best interests of Silver Eagle stockholders, since Silver Eagle will have transferred substantially all of its assets to Videocon d2h in the Transaction.

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Prior to the effectiveness of the registration statement on Form F-4 of which this proxy statement/prospectus forms a part Videocon d2h, together with the depository, will file a registration statement on Form F-6 to register the ADSs with the SEC. The registration statement on Form F-6 will include as an exhibit a copy of the deposit agreement that sets forth the rights of the ADS holders.

Q: What happens if I sell my shares of Silver Eagle common stock or public warrants before the special meeting of stockholders or public warrant holders?

A: The record date for the special meeting of stockholders and special meeting of public warrant holders is earlier than the date that the Transaction is expected to be completed. If you transfer your shares of Silver Eagle common stock or public warrants after the record date, but before the special meeting of stockholders or special meeting of public warrant holders, unless the transferee obtains from you a proxy to vote those shares or warrants, you will retain your right to vote at the special meeting of stockholders or special meeting of public warrant holders. However, you will not be entitled to seek redemption of your shares because you will not be able to deliver them for cancellation upon consummation of the Transaction and you will not be entitled to receive any Videocon d2h ADSs following the closing of the Transaction because only Silver Eagle's stockholders on the date of the closing of the Transaction will be entitled to receive Videocon d2h ADSs in connection with the closing of the Transaction.

Q: What vote is required to approve the proposals presented at the special meeting of stockholders?

A: The approval of each of the Business Combination Proposal and the Plan of Dissolution Proposal requires the affirmative vote of holders of a majority of the outstanding shares of Silver Eagle common stock. Accordingly, a Silver Eagle stockholder's failure to vote by proxy or to vote in person at the special meeting of stockholders, an abstention from voting, or the failure of a Silver Eagle stockholder who holds his or her shares in "street name" through a broker or other nominee to give voting instructions to such broker or other nominee (a "broker non-vote") will have the same effect as a vote "AGAINST" the Business Combination Proposal and the Plan of Dissolution Proposal, respectively.

The approval of the Adjournment Proposal requires the affirmative vote of the holders of a majority of the votes cast thereon at the special meeting of stockholders. Accordingly, abstentions, broker non-votes and shares not in attendance at the special meeting will have no effect on the outcome of any vote on the Adjournment Proposal.

No vote of the holders of any warrants issued by the Company is necessary to approve the Business Combination Proposal, and Silver Eagle is not asking the warrant holders to vote on the Business Combination Proposal or any other proposal being considered at the special meeting of stockholders.

Q: What vote is required to approve the proposals presented at the special meeting of public warrant holders?

A: The approval of the Warrant Amendment Proposal requires the affirmative vote of the holders of 65% of the outstanding public warrants as of the record date. Accordingly, a Silver Eagle warrant holder's failure to vote by proxy or to vote in person at the special meeting of public warrant holders, an abstention from voting, or a broker non-vote will have the same effect as a vote "AGAINST" the Warrant Amendment Proposal.

The approval of the Warrant holder Adjournment Proposal requires the affirmative vote of the holders of a majority of the public warrants represented in person or by proxy and entitled to vote thereon at the special meeting of public warrant holders. Accordingly, abstentions will have the same effect as a vote "AGAINST" the Warrant holder Adjournment Proposal, while a broker non-vote and warrants not in attendance at the special meeting of public warrant holders will have no effect on the outcome of any vote on the Warrant holder Adjournment Proposal.

Q: May Silver Eagle or the Sponsor, Silver Eagle's directors, officers, advisors or their affiliates purchase shares or warrants in connection with the Transaction or the Warrant Amendment Proposal?

A: In connection with the stockholder vote to approve the proposed Transaction or the warrant holder vote to approve the Warrant Amendment Proposal, Silver Eagle may not privately negotiate transactions to purchase shares after the closing of the Transaction from stockholders who would have otherwise elected to have their shares redeemed, or warrants from its public warrant holders. However, the Sponsor, Silver

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Eagle's directors, officers, or advisors or their respective affiliates may purchase shares or warrants in privately negotiated transactions or otherwise. None of Silver Eagle's directors, officers or advisors or their respective affiliates will make any such purchases when they are in possession of any material non-public information not disclosed to the seller. Such a purchase of shares may include a contractual acknowledgement that such stockholder, although still the record holder of Silver Eagle shares is no longer the beneficial owner thereof and therefore agrees not to exercise its redemption rights and may include a contractual provision that directs such stockholder to vote such shares in a manner directed by the purchaser. In the event that the Sponsor, Silver Eagle's directors, officers or advisors or their affiliates purchase shares in privately negotiated transactions from public stockholders who have already elected to exercise their redemption rights, such selling stockholders would be required to revoke their prior elections to redeem their shares. Any such purchases may be effected at purchase prices that are in excess of the per-share pro rata portion of the trust account. The purpose of any such share purchases may be to satisfy the closing condition in the Contribution Agreement that the Contribution Amount is at least \$200,850,000, and the purpose of any such warrant purchases may be to increase the likelihood that the Warrant Amendment Proposal is approved.

Q: How many votes do I have at the special meeting of stockholders?

A: Silver Eagle stockholders are entitled to one vote at the special meeting for each share of Silver Eagle common stock held of record as of the record date. As of the close of business on the record date, there were 40,625,000 outstanding shares of Silver Eagle common stock.

Q: What constitutes a quorum at the special meeting of stockholders?

A: Holders of a majority in voting power of the Silver Eagle's common stock issued and outstanding and entitled to vote at the special meeting, present in person or represented by proxy, constitute a quorum. In the absence of a quorum, a majority of Silver Eagle stockholders, present in person or represented by proxy, will have power to adjourn the special meeting.

As of the record date for the special meeting, 20,312,501 shares of Silver Eagle common stock would be required to achieve a quorum.

Q: How many votes do I have at the special meeting of public warrant holders?

A: Silver Eagle warrant holders are entitled to one vote at the special meeting of public warrant holders for each public warrant held of record as of the record date. As of the close of business on the record date, there were 32,500,000 public warrants outstanding.

Q: How will Silver Eagle's Sponsor, directors and officers vote?

A: In connection with Silver Eagle's initial public offering, Silver Eagle entered into agreements with each of its founders, consisting of the Sponsor, Dennis A. Miller, and Silver Eagle's executive officers and independent directors, pursuant to which each agreed to vote his or its founder shares and any other shares acquired during and after the initial public offering in favor of the Business Combination Proposal. Other than Harry E. Sloan and Jeff Sagansky, two of Silver Eagle's founders, who each purchased 99,500 shares of our common stock in the open market in February 2015, none of the founders have purchased any Silver Eagle shares during or after the initial public offering and none of the founders have entered into agreements, and are not currently in negotiations, to purchase shares. Currently, the Sponsor, directors and officers of Silver Eagle collectively own approximately 19.1% of the issued and outstanding shares of Silver Eagle common stock, consisting of 94.1% of the founder shares.

Pursuant to the terms of the warrant agreement, the Sponsor and Dennis A. Miller are not permitted to vote the private placement warrants they purchased in connection with Silver Eagle's initial public offering in favor of the Warrant Amendment Proposal unless the registered holders of 65% of the public warrants vote in favor of the Warrant Amendment Proposal. They may, however, vote any public warrants they own in any manner they wish. The Sponsor and Dennis A. Miller do not own any public warrants. In order for the Warrant Amendment Proposal to be approved, 21,125,000 of the 32,500,000 outstanding public warrants must vote in favor of the Warrant Amendment Proposal. See the section entitled "*Special Meeting of Silver Eagle Stockholders and Special Meeting of Silver Eagle Public Warrant Holders — Vote of Silver Eagle Founders*" for additional information.

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Q: What interests do Silver Eagle’s current officers and directors have in the Transaction?

A: Silver Eagle’s directors and executive officers may have interests in the Transaction that are different from, or in addition to or in conflict with, yours. These interests include:

- the right of the Sponsor to receive Videocon d2h ADSs in connection with and following the Transaction, subject to the lock-up agreements;
- the appointment of two of Silver Eagle’s executive officers as directors (but not officers) of Videocon d2h; and
- the continued indemnification of current directors and officers of Silver Eagle and the continuation of directors’ and officers’ liability insurance after the Transaction.

These interests may influence Silver Eagle’s directors in making their recommendation that you vote in favor of the approval of the Transaction.

Q: What happens if I vote against the Business Combination Proposal?

A: If the Business Combination Proposal is not approved and Silver Eagle does not consummate a business combination by April 30, 2015 (or July 30, 2015 if it has entered into a letter of intent, agreement in principle or definitive agreement for an initial business combination by April 30, 2015 but has not completed the initial business combination by that date), Silver Eagle will be required to dissolve and liquidate the trust account.

Q: Do I have redemption rights?

A: If you are a holder of public shares, you may redeem your public shares for a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account as of two business days prior to the consummation of the Transaction, including interest, less franchise and income taxes payable, divided by the number of then outstanding public shares, subject to the limitations described herein. A public stockholder, together with any of his, her or its affiliates or any other person with whom it is acting in concert or as a “group” (as defined under Section 13 of the Exchange Act), will be restricted from redeeming his, her or its shares with respect to more than an aggregate of 10% of the public shares. Silver Eagle’s, founders, consisting of the Sponsor, Dennis A. Miller and Silver Eagle’s executive officers and directors, have agreed to waive their redemption rights with respect to their founder shares and with respect to any other shares they may hold in connection with the consummation of the Transaction, and the founder shares will be excluded from the pro rata calculation used to determine the per-share redemption price. For illustrative purposes, based on funds in the trust account of approximately \$324,849,061 on September 30, 2014 and estimated \$130,000 in taxes payable, the estimated per share redemption price would have been approximately \$9.99. Additionally, shares properly tendered for redemption will only be redeemed if the Transaction is consummated; otherwise holders of such shares will only be entitled to a pro rata portion of the trust account (including interest but net of franchise and income taxes payable (less up to \$100,000 of such net interest to pay dissolution expenses)) in connection with the liquidation of the trust account.

Q: Will how I vote affect my ability to exercise redemption rights?

A: No. You may exercise your redemption rights whether you vote your shares for or against the Business Combination Proposal. As a result, the Contribution Agreement can be approved by stockholders who will redeem their shares and no longer remain stockholders, leaving stockholders who choose not to redeem their shares holding ADSs with a less liquid trading market, fewer shareholders, and Videocon d2h with less cash and potentially the inability to meet the listing standards of NASDAQ.

Q: How do I exercise my redemption rights?

A: In order to exercise your redemption rights, you must, prior to 4:30 p.m. Eastern time on [], 2015 (two business days before the special meeting), (i) submit a written request to Silver Eagle’s transfer agent that Silver Eagle redeem your public shares for cash, and (ii) deliver your stock to Silver Eagle’s transfer agent physically or electronically through Depository Trust Company, or DTC. The address of the transfer agent, Continental Stock Transfer & Trust Company, is listed under the question “Who can help answer my questions?” below.

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Any demand for redemption, once made, may be withdrawn at any time until the deadline for exercising redemption requests and thereafter, with Silver Eagle's consent, until the vote is taken with respect to the Transaction. If you delivered your shares for redemption to Silver Eagle's transfer agent and decide within the required timeframe not to exercise your redemption rights, you may request that Silver Eagle's transfer agent return the shares (physically or electronically). You may make such request by contacting Silver Eagle's transfer agent at the email or physical address listed under the question "Who can help answer my questions?"

Q: What are the federal income tax consequences of exercising my redemption rights?

A: Silver Eagle stockholders who exercise their redemption rights to receive cash from the trust account in exchange for their shares of Silver Eagle common stock generally will be required to treat the transaction as a sale of such shares and recognize gain or loss upon the redemption in an amount equal to the difference, if any, between the amount of cash received and the tax basis of the shares of Silver Eagle common stock redeemed. Such gain or loss should be treated as capital gain or loss if such shares were held as a capital asset on the date of the redemption. See the section entitled "*Material U.S. Federal Income Tax Considerations — Redemption of Silver Eagle Common Stock.*"

Q: If I am a Silver Eagle warrant holder, can I exercise redemption rights with respect to my warrants?

A: No. There are no redemption rights with respect to Silver Eagle's warrants.

Q: Do I have appraisal rights if I object to the proposed Transaction?

A: No. There are no appraisal rights available to holders of Silver Eagle common stock in connection with the Transaction.

Q: What happens to the funds held in the trust account upon consummation of the Transaction?

A: If the Transaction is consummated, the funds held in the trust account will be released to pay (i) the cash consideration to Videocon d2h for the Contribution, (ii) Silver Eagle stockholders who properly exercise their redemption rights, (iii) \$32,500,000 to Silver Eagle warrant holders (if the Warrant Amendment Proposal is approved), (iv) an estimated \$20,000,000 relating to deferred underwriting compensation to the underwriters of Silver Eagle's initial public offering and other designated persons and certain additional fees for advisory services, and all fees, costs and expenses (including regulatory fees, legal fees, accounting fees, printer fees, and other professional fees) that were incurred by Silver Eagle in connection with the Transaction, and (v) unpaid franchise and income taxes of the Company of approximately \$150,000.

Q: What happens if the Transaction is not consummated?

A: There are certain circumstances under which the Contribution Agreement may be terminated. See the section entitled "*Proposal No. 1 — Approval of the Business Combination — The Contribution Agreement*" for information regarding the parties' specific termination rights.

If, as a result of the termination of the Contribution Agreement or otherwise, Silver Eagle is unable to complete the Transaction or another business combination transaction by April 30, 2015 (or July 30, 2015 if it has entered into a letter of intent, agreement in principle or definitive agreement for an initial business combination by April 30, 2015 but has not completed the initial business combination by that date), Silver Eagle's amended and restated certificate of incorporation provides that it will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, subject to lawfully available funds therefor, redeem 100% of the public shares in consideration of a per-share price, payable in cash, equal to the quotient obtained by dividing (A) the aggregate amount then on deposit in the trust account, including interest (less up to \$100,000 of such net interest to pay dissolution expenses), less franchise and income taxes payable, by (B) the total number of then outstanding public shares, which redemption will completely extinguish rights of the public stockholders (including the right to receive further liquidation distributions, if any), subject to applicable law, and (iii) as promptly as reasonably possible following such redemptions, subject to the

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approval of the remaining stockholders and the board of Silver Eagle in accordance with applicable law, dissolve and liquidate, subject in each case to Silver Eagle's obligations under the General Corporation Law of the State of Delaware ("DGCL") to provide for claims of creditors and other requirements of applicable law.

Silver Eagle expects that the amount of any distribution its public stockholders will be entitled to receive upon its dissolution will be approximately the same as the amount they would have received if they had redeemed their shares in connection with the Transaction, subject in each case to Silver Eagle's obligations under the DGCL to provide for claims of creditors and other requirements of applicable law. See the section entitled "*Risk Factors — If Silver Eagle is unable to effect a business combination by April 30, 2015 (or July 30, 2015 if applicable), it will be forced to liquidate and the warrants will expire worthless and — If Silver Eagle is forced to liquidate, its stockholders may be held liable for claims by third parties against Silver Eagle to the extent of distributions received by them.*" Holders of the founder shares have waived any right to any liquidation distribution with respect to those shares.

In the event of liquidation, there will be no distribution with respect to Silver Eagle's outstanding warrants. Accordingly, the warrants will expire worthless.

Q: When is the Transaction expected to be completed?

A: It is currently anticipated that the Transaction will be consummated promptly following the special meetings of stockholders and public warrant holders, provided that all other conditions to the consummation of the Transaction have been satisfied or waived. In particular, under the applicable Indian regulations, Videocon d2h is required to obtain prior written approval from the MIB for issuance of equity shares pursuant to the Transaction. Further, under India's consolidated FDI Policy, with effect from April 17, 2014, Videocon d2h is required to obtain prior security clearance from the MIB in respect of Harry E. Sloan and Jeff Sagansky, and the alternate directors for each, if any, who are to be appointed as directors on Videocon d2h's board of directors, as one of the conditions to closing. Videocon d2h sought prior written approval for the Transaction and will seek security clearance from the MIB.

Additionally, as required pursuant to its debt covenants, Videocon d2h has applied for consent for the Transaction from its current lenders. Videocon d2h has received consents from eight of its current lenders and is in the process of obtaining the remaining consents.

For a description of the conditions to the completion of the Transaction, see the section entitled "*Proposal No. 1 — Approval of the Business Combination.*"

Q: What do I need to do now?

A: You are urged to read carefully and consider the information contained in this proxy statement/prospectus, including the annexes, and to consider how the Transaction will affect you as a stockholder or public warrant holder. You should then submit your proxy as soon as possible in accordance with the instructions provided in this proxy statement/prospectus and on the enclosed proxy card or, if you hold your shares or warrants, as applicable through a brokerage firm, bank or other nominee, on the voting instruction form provided by the broker, bank or nominee.

Q: How do I vote?

A: If you were a holder of record of Silver Eagle common stock or public warrants on March 2, 2015, the record date for the special meetings of stockholders and public warrant holders, respectively, you may vote with respect to the applicable proposals in person at the special meeting of stockholders and public warrant holders, respectively, or you may have your shares voted by proxy by (1) calling the toll-free number specified on the enclosed proxy card and following the instructions when prompted, (2) accessing the Internet website specified on the enclosed proxy card and following the instructions provided to you, or (3) completing, signing, dating and returning the enclosed proxy card in the postage-paid envelope provided. If you are a registered stockholder as of the record date, and you have already submitted a proxy card or submitted a proxy by telephone or over the Internet, you do not need to do anything unless you wish to change your vote. If you are a public warrant holder, you must submit the attached revised proxy card or vote by telephone or over the Internet whether or not you have already submitted a proxy

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card or voted by telephone or over the Internet. If you hold your shares or warrants in “street name,” which means your shares or warrants are held of record by a broker, bank or other nominee, you should contact your broker, bank or nominee to ensure that votes related to the shares or warrants you beneficially own are properly counted. In this regard, you must provide the record holder of your shares or warrants with instructions on how to vote your shares or warrants or, if you wish to attend the special meeting of stockholders or warrant holders, as applicable, and vote in person, obtain a proxy from your broker, bank or nominee.

Q: What will happen if I abstain from voting or fail to vote at the applicable special meeting?

A: At the special meeting of stockholders, Silver Eagle will count a properly executed proxy marked “ABSTAIN” with respect to a particular proposal as present for purposes of determining whether a quorum is present. For purposes of approval, an abstention or failure to vote will have the same effect as a vote “AGAINST” the Business Combination Proposal and Plan of Dissolution Proposal, but will have no effect on the Adjournment Proposal.

At the special meeting of public warrant holders, a failure to vote or an abstention will have the same effect as a vote “AGAINST” the Warrant Amendment Proposal, while only an abstention (and not a failure to vote) will have the same effect as a vote “AGAINST” the Warrant holder Adjournment Proposal.

Q: What will happen if I sign and return my proxy card without indicating how I wish to vote?

A: Signed and dated proxies received by Silver Eagle without an indication of how the stockholder or public warrant holder, as applicable, intends to vote on a proposal will be voted in favor of each proposal presented to the stockholders and public warrant holders, as applicable.

Q: If I am not going to attend the special meeting of stockholders or warrant holders, as applicable, in person, should I return my proxy card instead?

A: Yes. Whether you plan to attend the applicable special meeting(s) or not, please read the enclosed proxy statement/prospectus carefully, and submit your proxy, as applicable, by one of the following methods: (1) call the toll-free number specified on the enclosed proxy card and follow the instructions when prompted, (2) access the Internet website specified on the enclosed proxy card and follow the instructions provided to you, or (3) complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided.

Q: If my shares or warrants are held in “street name,” will my broker, bank or nominee automatically vote my shares or warrants, as applicable, for me?

A: No. Under the rules of various national and regional securities exchanges, your broker, bank, or nominee cannot vote your shares or warrants with respect to non-discretionary matters unless you provide instructions on how to vote in accordance with the information and procedures provided to you by your broker, bank, or nominee. Silver Eagle believes the proposals presented to the stockholders and public warrant holders will be considered non-discretionary and therefore your broker, bank, or nominee cannot vote your shares or warrants without your instruction. If you do not provide instructions with your proxy, your bank, broker, or other nominee may deliver a proxy card expressly indicating that it is NOT voting your shares or warrants, as applicable; this indication that a bank, broker, or nominee is not voting your shares or warrants is referred to as a “broker non-vote.” Broker non-votes will be not counted for the purpose of determining the existence of a quorum or for purposes of determining the number of votes cast at the special meetings. Your bank, broker, or other nominee can vote your shares or warrants only if you provide instructions on how to vote. You should instruct your broker to vote your shares or warrants, as applicable in accordance with directions you provide.

Q: May I change my vote after I have mailed my signed proxy card?

A: Yes. You may change your vote by sending a later-dated, signed proxy card to Silver Eagle’s secretary at the address listed below so that it is received by Silver Eagle’s secretary prior to the special meeting of stockholders or warrant holders, as applicable, or attend the applicable special meeting(s) in person and vote. You also may revoke your proxy by sending a notice of revocation to Silver Eagle’s secretary, which must be received by Silver Eagle’s secretary prior to the applicable special meeting(s).

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Q: What should I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your shares or warrants in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares or warrants. If you are a holder of record and your shares or warrants are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive in order to cast your vote with respect to all of your shares and warrants, as applicable.

Q: Who will solicit and pay the cost of soliciting proxies?

A: Silver Eagle will pay the cost of soliciting proxies for the special meeting. Silver Eagle has engaged Morrow & Co., LLC (“Morrow”) to assist in the solicitation of proxies for the special meeting. Silver Eagle has agreed to pay Morrow a fee of \$20,000. Silver Eagle will reimburse Morrow for reasonable out-of-pocket expenses and will indemnify Morrow and its affiliates against certain claims, liabilities, losses, damages and expenses. Silver Eagle also will reimburse banks, brokers and other custodians, nominees and fiduciaries representing beneficial owners of shares of Silver Eagle’s common stock for their expenses in forwarding soliciting materials to beneficial owners of the Silver Eagle’s common stock and in obtaining voting instructions from those owners. Silver Eagle’s directors, officers and employees may also solicit proxies by telephone, by facsimile, by mail, on the Internet or in person. They will not be paid any additional amounts for soliciting proxies.

Q: Who can help answer my questions?

A: If you have questions about the proposals or if you need additional copies of the proxy statement/prospectus or the enclosed proxy card you should contact:

James A. Graf, Secretary
Silver Eagle Acquisition Corp.
1450 2nd Street, Suite 247
Santa Monica, California 90401
Tel: (310) 209-7280
Email: jgraf@geacq.com

You may also contact Silver Eagle’s proxy solicitor at:

Morrow & Co., LLC
470 West Avenue
Stamford, CT 06902
Telephone: (800) 662-5200
Email: EAGL.info@morrowco.com

To obtain timely delivery, Silver Eagle stockholders and public warrantholders must request the materials no later than five business days prior to the special meeting.

You may also obtain additional information about us from documents filed with the SEC by following the instructions in the section entitled “Where You Can Find More Information.”

If you intend to seek redemption of your public shares, you will need to send a letter demanding redemption and deliver your stock (either physically or electronically) to Silver Eagle’s transfer agent prior to 4:30 p.m. Eastern time on [], 2015 (two business days before the special meeting). If you have questions regarding the certification of your position or delivery of your stock, please contact:

Continental Stock Transfer & Trust Company
17 Battery Place
New York, New York 10004
Attn: Mark Zimkind
E-mail: mzimkind@continentalstock.com

SUMMARY OF THE PROXY STATEMENT/PROSPECTUS

This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. To better understand the Transaction and the proposals to be considered at the special meetings, you should read this entire proxy statement/prospectus carefully, including the annexes. See also the section entitled “Where You Can Find More Information.”

Unless otherwise specified, all share calculations (i) assume no exercise of redemption rights by Silver Eagle’s public stockholders, (ii) do not include any shares of Silver Eagle common stock issuable upon exercise of Silver Eagle’s warrants.

Parties to the Transaction

Silver Eagle

Silver Eagle Acquisition Corp. (“Silver Eagle”) is a Delaware corporation formed in 2013 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination involving Silver Eagle and one or more businesses.

Silver Eagle’s common stock, warrants and units are quoted on the OTCQB under the ticker symbols “EAGL,” “EAGLW” and “EAGLU.”

The mailing address of Silver Eagle’s principal executive office is 1450 2nd Street, Suite 247, Santa Monica, California 90401.

Videocon d2h

Videocon d2h Limited (“Videocon d2h”) is a public limited company incorporated in the year 2002 and organized under the laws of the Republic of India. Videocon d2h is the fastest growing direct-to-home, or DTH, pay-TV service provider in India by acquisition of new subscribers, adding approximately 9.0 million gross subscribers during the period from April 2011 through September 2014 across India, according to data from the MPA Report. Videocon d2h has indebtedness of Rs 30,138.45 million and Rs 30,961.54 million as of March 31, 2014 and September 30, 2014, respectively (U.S.\$486.73 million and U.S.\$500.02 million, respectively, based on the exchange rate of Rs.61.92 per U.S.\$1.00 on September 30, 2014). Currently, Videocon d2h has overdue payments of principal and interest under various loan agreements. The delay in payment under these agreements ranges from one to 59 days after such payments were due. Furthermore, Videocon d2h is not in compliance with applicable financial ratios under certain of its financing arrangements. See “Risk Factors — Any Failure of Videocon d2h to adhere to the terms and conditions of its loan agreements could have an adverse effect on its business, financial condition and results of operations” and “Videocon d2h Operating and Financial Review and Prospects — Financial Condition, Liquidity and Sources of Capital” for additional information. Videocon d2h intends to use at least US\$100 million from the proceeds of the Transaction to repay its debts. For more detailed disclosures regarding Videocon d2h’s indebtedness and the use of proceeds of the Transaction, see “Videocon d2h’s Indebtedness” and “Use of Proceeds”.

Videocon d2h leases bandwidth on the ST-2 satellite of Singapore Telecommunications Limited (“SingTel”) pursuant to a Ku-Band Lease Agreement which expired on February 28, 2015. Videocon d2h continues to utilize the satellite capacity under the terms of the expired Ku-Band Lease Agreement and is in the process of securing a renewed lease agreement. While Videocon d2h currently believes that it has sufficient satellite capacity to transmit its existing and planned programming offerings, it cannot assure you that it will be able to continue to lease such capacity or additional capacity on terms acceptable to it, or at all. If Videocon d2h is unable to renew the Ku-Band Lease Agreement, or if any future lease agreement is terminated or expires, and Videocon d2h is unable to secure suitable replacement satellite transmission capacity, Videocon d2h’s business, financial condition and results of operations could be adversely affected. See “Risk Factors — Videocon d2h’s leased satellite ST-2 is subject to operational, lease and environmental risks that could limit Videocon d2h’s ability to utilize the satellite” for more information.

The mailing address of Videocon d2h’s principal executive office is 1st Floor, Techweb Centre, New Link Road, Oshiwara Jogeshwari (West), Mumbai 400 102, Maharashtra, India.

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The Transaction

Pursuant to the Contribution Agreement, Silver Eagle will contribute to Videocon d2h the funds held in the trust account, less transaction expenses, amounts used to pay Silver Eagle stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal, amounts payable to warrant holders and reserves for liquidation and dissolution expenses, in exchange for equity shares of Videocon d2h. Silver Eagle estimates that the equity shares issued by Videocon d2h will constitute between 33.42% and 38.42% of the issued share capital of Videocon d2h, depending on the number of shares redeemed by Silver Eagle's public stockholders. See "*Unaudited Pro Forma Condensed Financial Information*" for further information. The Videocon d2h equity shares will be represented by Videocon d2h ADSs, with each ADS representing four Videocon d2h equity shares. As soon as reasonably practicable after the closing of the Transaction, Silver Eagle's stockholders will receive Videocon d2h ADSs in proportion to their stockholdings in Silver Eagle and Silver Eagle will dissolve and liquidate. The current shareholders of Videocon d2h and the Sponsor will be entitled to be issued additional Videocon d2h shares and Videocon d2h ADSs, respectively, following the closing, subject to the achievement of certain ADS price targets for a specified period following the closing. A copy of the Contribution Agreement is attached to this proxy statement/prospectus as Annex A. **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.** In addition, Silver Eagle is proposing to amend the agreement governing its outstanding warrants to provide that each outstanding public warrant of Silver Eagle will be exchanged for cash in the amount of \$1.00, as described more fully herein. The Sponsor and Dennis A. Miller have agreed to forfeit to Silver Eagle for no consideration 15,000,000 private placement warrants held by them. Accordingly, the private placement warrants will not be eligible to be exchanged for cash pursuant to the Warrant Amendment Proposal. A copy of the form of amendment to the warrant agreement is attached to this proxy statement/prospectus as Annex E.

Redemption Rights (Page 60)

Pursuant to Silver Eagle's amended and restated certificate of incorporation, holders of public shares may elect to have all or a portion of their shares redeemed at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account as of two business days prior to the consummation of the Transaction, including interest, less franchise and income taxes payable, divided by the number of then outstanding public shares, subject to the limitations described herein. As of September 30, 2014, this would have amounted to approximately \$9.99 per share. If a holder exercises its redemption rights, then such holder will be exchanging its shares of Silver Eagle common stock for cash and will no longer own shares of Silver Eagle common stock. Such a holder will be entitled to receive cash for its public shares only if it properly demands redemption and delivers its shares (either physically or electronically) to Silver Eagle's transfer agent in accordance with the procedures described herein. See the section entitled "*Special Meeting of Silver Eagle Stockholders and Special Meeting of Silver Eagle Public Warrant Holders — Redemption Rights*" for the procedures to be followed if you wish to redeem your shares for cash.

Videocon d2h Equity Shares and ADSs to be Issued in the Transaction

Under the Contribution Agreement, Silver Eagle expects to contribute between \$200.85 and \$273.35 million to Videocon d2h in exchange for equity shares, represented by ADSs, constituting between 33.42% and 38.42% of the issued share capital of Videocon d2h, depending on the number of shares redeemed by Silver Eagle's public stockholders. In addition, the Sponsor will be entitled to be issued additional Videocon d2h equity shares equal to 1.3 million Videocon d2h ADSs increasing ratably to a maximum of 2 million Videocon d2h ADSs, based on the applicable actual contribution amount, and the current shareholders of Videocon d2h will be entitled to be issued additional Videocon d2h equity shares equal to 11.68 million Videocon d2h ADSs by way of a bonus issue (or such other form of issuance as determined by the independent members of the Board of Directors of Videocon) in accordance with applicable Indian laws, following the closing subject to the achievement of certain ADS price targets for a specified period following the closing. The following table sets forth the varying ownership levels based on the assumptions described above but assuming varying levels of redemption by Silver Eagle stockholders. Set forth in the table

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below are ownership percentages of Videocon d2h that are calculated assuming varying levels of redemptions by Silver Eagle stockholders. You should read “*Proposal No. 1 — Approval of the Business Combination*” and “*Unaudited Pro Forma Condensed Financial Information*” for further information.

Contribution Amount (US Dollars in Millions)	\$ 200.85	\$ 224.25	\$ 248.75	\$ 273.35
% of Silver Eagle Public Shares Redeemed	22.71%	15.38%	7.69%	0.00%
<u>Equity Ownership of Videocon d2h (Assuming No Earn-out)</u>				
Current Videocon d2h Shareholders	66.58%	64.88%	63.19%	61.58%
Silver Eagle Public Stockholders	27.64%	29.49%	31.33%	33.08%
Sponsor	5.78%	5.63%	5.48%	5.34%
<u>Equity Ownership of Videocon d2h (Assuming Full Earn-out)</u>				
Current Videocon d2h Shareholders	69.50%	67.80%	66.10%	64.49%
Silver Eagle Public Stockholders	24.19%	25.83%	27.47%	29.04%
Sponsor	6.31%	6.37%	6.42%	6.48%

Treatment of the Founder Shares in the Transaction

Immediately prior to the closing of the Transaction, the Sponsor, Dennis A. Miller and our independent directors will forfeit, in the aggregate, 2,875,000 founder shares, 2,031,250 of which will be “founder earnout shares” as described in the prospectus for Silver Eagle’s initial public offering which are subject to forfeiture if certain share price targets are not met following the closing of Silver Eagle’s business combination transaction. This represents forfeiture of all of the founder earnout shares held by our founders. Following such forfeiture, the Sponsor, Dennis A. Miller and the independent directors of Silver Eagle will hold, in the aggregate, 5,235,000 founder shares. Under the Contribution Agreement, following the closing of the Transaction, Videocon d2h is required to grant the Sponsor the equivalent of an additional 1.3 million ADSs (valued at approximately \$13.0 million) increasing ratably to a maximum of an additional 2.0 million ADSs (valued at approximately \$20.0 million), based on the applicable actual Contribution Amount contributed by Silver Eagle to Videocon d2h, by way of a bonus issue (or such other form of issuance as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian laws, 50% of such ADSs will be issuable if the last sales price of the Videocon d2h ADSs on NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) does not equal or exceed 125% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees in accordance with the Contribution Agreement) and the remaining 50% of such ADSs will be issuable if the last sales price of the Videocon d2h ADSs on the NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 150% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees in accordance with the Contribution Agreement). **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.**

Board of Directors of Videocon d2h Following the Transaction

The Contribution Agreement provides that in connection with the Transaction, the board of directors of Videocon d2h will consist of seven members, including Mr. Saurabh Pradipkumar Dhoot, Mr. Harry E. Sloan, Mr. Jeff Sagansky, Mr. Shivratn Jeetmal Taparia, Mr. Pradeep Ramwilas Rathi, Mr. Nabankur Gupta and Mr. Karunchandra Srivastava. See the sections entitled “*Proposal No. 1 — Approval of the Business Combination*” and “*Management After The Transaction*” for additional information.

The Plan of Dissolution (Page 86)

If the Business Combination Proposal is approved and the Transaction is consummated, Silver Eagle will have completed its initial business combination transaction by contributing all of the cash held in the trust account, less transaction expenses, amounts due to public stockholders who properly exercise their redemption

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rights, amounts payable to warrant holders and reserves for liquidation and dissolution expenses, to Videocon d2h in exchange for Videocon d2h equity shares, represented by ADSs. Silver Eagle's board of directors has determined that dissolving Silver Eagle as a legal entity after completion of the Transaction is in the best interests of Silver Eagle stockholders, since Silver Eagle will have transferred substantially all of its assets to Videocon d2h in the Transaction.

See the section entitled "*Proposal No. 2 — Approval of the Plan of Dissolution*" for additional information.

Accounting Treatment (Page 95)

Videocon d2h will issue 121.48 – 151.0 million equity shares, represented by ADSs, for an aggregate purchase price of between US\$200.85 and US\$273.35 million in connection with the Transaction. Videocon d2h will treat the Transaction as the issue of its equity shares for cash.

Appraisal Rights (Page 89)

Appraisal rights are not available to Silver Eagle stockholders in connection with the Transaction.

Reasons for the Transaction (Page 80)

Silver Eagle was organized for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization, or similar business combination with one or more businesses. Silver Eagle has sought to capitalize on the substantial deal sourcing, investing and operating expertise of its management team to identify, acquire and operate a business in the media and entertainment industries, although Silver Eagle is not limited to a particular industry or sector.

In particular, Silver Eagle's board considered the following positive factors, although not weighted or in any order of significance:

Media and Entertainment Industry. Videocon d2h is a leading direct-to-home service provider and acquirer and distributor of entertainment content that works closely with channel distributors. Accordingly, Silver Eagle's management's significant operating and deal-making experience and relationships with companies in this space would provide Videocon d2h with a number of competitive advantages and may present it with a substantial number of additional business targets and relationships in this space to facilitate growth. Within the media and entertainment sector, Videocon d2h's growth prospects, competitive dynamics, opportunities for consolidation, limited need for capital investment and barriers to entry in the market were to be compelling compared to other opportunities Silver Eagle evaluated.

High-Growth Markets. India's economic growth, reflected in higher per capita income and an increasing middle class, with greater disposable incomes, has provided a foundation for the growth of pay-TV services. In 2013, the industry added 5.4 million net new pay-TV subscribers, taking overall industry subscriber base to 135 million. Much of this growth has been driven by DTH, which had a 66% share of net new additions in 2013. Increasing purchasing power is expected to result in a higher number of TV homes in India. pay-TV penetration of TV homes will also grow at a rate with increasing incidence of multiple TV set homes. Silver Eagle's management team has extensive experience operating media businesses and leading transactions in high growth international markets, including India. For example, Silver Eagle's Chairman and Chief Executive Officer, Harry E. Sloan, is the former Chief Executive Officer of Metro-Goldwyn-Mayer, Inc., or MGM. During his time there, MGM launched the MGM Channel in India and in many markets around the world. In addition, Mr. Sloan was Founder, Chairman and Chief Executive Officer of SBS Broadcasting, S.A., or SBS, which operated entirely outside the U.S. with substantial footprint in high growth emerging markets, and made a number of investments in fast growth emerging markets, including investing in the first private television station in Hungary, TV2, and one of the first television stations in Poland, TVN. Jeff Sagansky, Silver Eagle's President, was previously co-President of Sony Pictures Entertainment, and helped launch the Sony channels in India, Taiwan and the AXN channels in Asia, as well as channels in many markets around the world. James A. Graf, Silver Eagle's Chief Financial Officer, spent over 15 years as an investment banker living in Asia or working on transactions in Asia, where he led mergers and acquisitions, equity and debt financing transactions, including transactions in the media sector, in many Asian markets, including India.

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Business with Revenue and Earnings Growth Potential. Silver Eagle believes that Videocon d2h has executed successfully and is one of the fastest growing DTH operators in the world in terms of subscriber additions. While primarily derived through subscription revenue today, Videocon d2h has the potential to expand revenue and earnings by providing differentiated content and other potential revenue streams.

Companies with Potential for Strong Free Cash Flow Generation. Silver Eagle believes that Videocon d2h has the potential for strong, stable cash flow now that it has achieved critical mass of subscribers. Now that Videocon d2h has reached this subscriber inflection point, each additional marginal customer added provides greater marginal income growth in addition to greater market scale in content acquisition and pricing strategies.

Experienced and Motivated Management Team. Videocon d2h's management team has significant experience, and the members of the management team are expected to continue in their roles.

In the prospectus for Silver Eagle's IPO, Silver Eagle identified the foregoing positive factors as general criteria and guidelines that its management believed would be important in evaluating prospective target businesses.

Quorum and Required Vote for Proposals for the Special Meeting of Stockholders (Page 58)

A quorum of Silver Eagle stockholders is necessary to hold a valid meeting. A quorum will be present at the special meeting of stockholders if a majority of the Silver Eagle common stock outstanding and entitled to vote at the special meeting of stockholders is represented in person or by proxy. Abstentions will count as present for the purposes of establishing a quorum.

The approval of the Business Combination Proposal and the Plan of Dissolution Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Silver Eagle common stock. Accordingly, a stockholder's failure to vote by proxy or to vote in person at the special meeting of stockholders, an abstention from voting or a broker non-vote will have the same effect as a vote "AGAINST" the Business Combination Proposal and the Plan of Dissolution Proposal, respectively.

The approval of the Adjournment Proposal requires the affirmative vote of the holders of a majority of the votes cast thereon at the special meeting. Accordingly, abstentions will have the same effect as a vote "AGAINST" the Adjournment Proposal, while a broker non-vote and shares not in attendance at the special meeting will have no effect on the outcome of any vote on the Adjournment Proposal.

The Business Combination Proposal is conditioned on the Plan of Dissolution Proposal. The Plan of Dissolution Proposal and the Warrant Amendment Proposal are each conditioned on the Business Combination Proposal. If the Business Combination Proposal is not approved, the Plan of Dissolution Proposal and the Warrant Amendment Proposal will have no effect, even if those proposals are approved by the requisite vote.

The Warrant Amendment (Page 92)

At the special meeting of public warrant holders, Silver Eagle will ask its public warrant holders to consider and vote on a proposal, referred to as the "Warrant Amendment Proposal," to approve and consent to an amendment to the terms of the warrant agreement governing Silver Eagle's outstanding warrants to provide that, upon the consummation of the Transaction, Silver Eagle's outstanding warrants will be exchanged for cash in the amount of \$1.00. The Sponsor and Dennis A. Miller have agreed to forfeit to Silver Eagle for no consideration 15,000,000 private placement warrants held by them. Accordingly, the private placement warrants will not be eligible to be exchanged for cash pursuant to the Warrant Amendment Proposal. The Warrant Amendment will not become effective if the Transaction is not completed.

Approval of the Warrant Amendment Proposal requires the affirmative vote of the holders of 65% of the outstanding public warrants as of the record date. Pursuant to the terms of the warrant agreement, the Sponsor is not permitted to vote the private placement warrants in favor of the Warrant Amendment Proposal unless the registered holders of 65% of the public warrants vote in favor of the Warrant Amendment Proposal.

No vote of the holders of any stock issued by Silver Eagle is necessary to approve the Warrant Amendment Proposal, and Silver Eagle is not asking its stockholders to vote on the Warrant Amendment Proposal or any other proposal being considered at the special meeting of public warrant holders.

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Recommendation to Silver Eagle Stockholders and Warrantholders (Pages [85](#) and [92](#))

Silver Eagle's board of directors believes that (a) each of the Business Combination Proposal, the Plan of Dissolution Proposal and the Adjournment Proposal to be presented at the special meeting of stockholders and (b) each of the Warrant Amendment Proposal and Warrantholder Adjournment Proposal is in the best interests of the Company and its stockholders and public warrantholders, respectively, and unanimously recommends that its stockholders and public warrantholders, as applicable, vote "FOR" each of the proposals.

When you consider the recommendation of Silver Eagle's board of directors in favor of approval of these proposals, you should keep in mind that its directors and officers have interests in the Transaction that are different from, or in addition to, your interests as a stockholder. These interests include, among other things:

- the right of the Sponsor to receive Videocon d2h ADSs in connection with and following the Transaction, subject to the lock-up agreements;
- the appointment of Harry E. Sloan and Jeff Sagansky, Silver Eagle's executive officers, as directors (but not officers) of Videocon d2h; and
- the continued indemnification of current directors and officers of Silver Eagle and the continuation of directors' and officers' liability insurance after the Transaction.

RISK FACTORS (Page [20](#))

In evaluating the proposals set forth in this proxy statement/prospectus, you should carefully read this proxy statement/prospectus, including the annexes, and especially consider the factors discussed in the section entitled "*Risk Factors*."

RISK FACTORS

You should carefully consider the following risk factors, together with all of the other information included in this proxy statement/prospectus, before you decide whether to vote or instruct your vote to be cast to approve the Business Combination Proposal.

Risks Related to Videocon d2h and the Industry in which Videocon d2h operates.

Videocon d2h has accumulated losses exceeding its paid-up share capital, which may affect its ability to continue as a “going concern.”

Videocon d2h has incurred losses for the fiscal years 2013 and 2014 of Rs.3,524.33 million and Rs.3,195.48 million and for the six-month period ended September 30, 2014 of Rs.1,174.24 million. The auditors of Videocon d2h have stated in their audit opinion that the accumulated losses of Videocon d2h exceed its paid up share capital and that Videocon d2h’s ability to continue as a going concern is dependent on its ability to fund its operations and capital expenditure requirements. See “*Videocon d2h Operating and Financial Review and Prospects.*” Videocon d2h cannot assure you that it will not continue to incur losses, or that the auditors of Videocon d2h will continue to prepare the financial statements of Videocon d2h on a going concern basis.

Videocon d2h’s indebtedness could adversely affect its financial health and make it more difficult for Videocon d2h to service its debt or obtain additional financing, if necessary.

As of September 30, 2014 and February 28, 2015, Videocon d2h had an outstanding secured indebtedness of Rs.28,711.54 million and Rs.32,019.35 million, respectively, from banks and financial institutions, and indebtedness of Rs.2,250.00 million from Videocon Industries on such dates. While Videocon d2h intends to repay certain loans from scheduled banks from the proceeds of the Issue, it may incur additional indebtedness in the future. Its indebtedness could have several important consequences, including but not limited to the following:

- a portion of Videocon d2h’s cash flows may be used towards payment of principal and interest of its debts, which would reduce the availability of cash to fund working capital needs, capital expenditures and other general corporate requirements;
- its ability to obtain additional financing in the future at reasonable terms may be restricted;
- Videocon d2h may be more vulnerable to economic downturns, may be limited in its ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions; and
- Videocon d2h may be placed at a competitive disadvantage relative to its competitors that have greater financial resources than it.

As of March 31, 2014, all of Videocon d2h’s indebtedness consisted of floating rate indebtedness. An increase in prevailing interest rates would increase borrowing costs with respect to existing floating rate obligations or new loans, which may adversely affect Videocon d2h’s business, financial condition and results of operations.

Any failure of Videocon d2h to adhere to the terms and conditions of its loan agreements could have an adverse effect on its business, financial condition and results of operations.

While Videocon d2h believes that its relationships with its lenders are good, compliance with the various terms and conditions of its loan agreements is subject to interpretation and, as a result, it is possible that a lender could assert that Videocon d2h has not complied with all the terms under its financing agreements. Any failure to service Videocon d2h’s indebtedness, obtain a required consent or perform any condition or covenant could lead to a termination of one or more of its credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of its other financing agreements, any of which may adversely affect its ability to conduct its business and have an adverse effect on its financial condition and results of operations. See — “*The Court of Turin, Italy has, by an ex-parte decree, ordered that Videocon Industries, a Videocon Group entity, pay certain lenders of an erstwhile subsidiary a total principal amount of the loan*

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that the erstwhile subsidiary had incurred, which order may be enforced against Videocon Industries. The enforcement of such order or other events could result in Videocon d2h being in default or cross-default under certain provisions of Videocon d2h loan agreements". Currently, Videocon d2h is not in compliance with certain terms of its financing agreements relating to repayment of certain outstanding principal amounts and maintenance of certain financial ratios (as described below). However, Videocon d2h's lenders have neither enforced any security nor have accelerated repayment of the loans for any such non compliance.

As of September 30, 2014, Videocon d2h had aggregate overdue payments of principal amounting to Rs.511.10 million. Further, Videocon d2h has been unable to maintain the following financial ratios required to be maintained under its financing arrangements:

- Total debt to promoter contribution ratio of not more than two times (which was 2.65 times as of March 31, 2014);
- Assets coverage ratio of at least one time (which was 0.79 time as of March 31, 2014);
- Debt to EBITDA ratio for fiscal 2014 of not more than 3.5 times (which was 7.03 times as of March 31, 2014); and
- Debt to net cash accruals ratio for fiscal 2014 of not more than 5.5. times (net cash accruals was negative as of March 31, 2014).

The restrictive covenants in Videocon d2h's loan agreements and any of the agreements governing its future indebtedness could adversely restrict its financial and operating flexibility.

Videocon d2h's existing loan agreements contain financial and other restrictive covenants. These include certain security margins, financial ratios and restrictive covenants, such as requiring the lender's consent for, among other things, issuance of new equity shares, undertaking any new project, diversification, modernization or substantial expansion of its DTH operations, formulating any scheme of amalgamation or reconstruction, making any material changes to its constitutional documents, incurring further indebtedness, creating further encumbrances on, or disposing of, its assets, changing its fiscal year and making investments or acquisitions beyond certain limits in a single fiscal year. Future financing documents of Videocon d2h may contain similar or other financial or restrictive covenants. Such covenants may restrict Videocon d2h's ability to raise additional capital in the future through bank borrowings and debt and equity issuances and may restrict its ability to engage in business transactions that Videocon d2h believes to be of benefit to the company. The occurrence of any of the above events may have a material adverse effect on Videocon d2h's business, financial condition and operating results.

Videocon d2h's failure to adhere to the terms and conditions contained in the DTH License Agreement could have an adverse effect on its business, financial condition and results of operations. In addition, Videocon d2h may owe additional amounts under its DTH License Agreement for prior years of operations.

Videocon d2h entered into the DTH License Agreement, dated December 28, 2007, with the President of India acting through the Director, Broadcasting, Policy and Legislation, Ministry of Information and Broadcasting, GoI, or the MIB (the "DTH License Agreement"). Pursuant to the terms of the DTH License Agreement, Videocon d2h is required to pay an annual fee of 10.0% of its gross revenue as defined in the DTH License Agreement ("DTH Gross Revenue") to the MIB for the relevant fiscal year. Separately, Videocon d2h is also required to pay license fees and royalty for the spectrum it uses, as determined by the Wireless Planning & Coordination Wing of the Ministry of Communications and Information Technology, Department of Telecommunications, GoI.

The DTH license is valid until December 12, 2018, unless terminated earlier for transfer of the DTH license without prior approval from the MIB, default or insolvency. The DTH license may be terminated by the MIB without compensation to Videocon d2h in the event of breach of any of the terms and conditions of the license (after allowing Videocon d2h an opportunity to address the breach), including, among other things, if it becomes bankrupt or otherwise insolvent or applies for being adjudicated as insolvent or bankrupt. Among other restrictions under the DTH License Agreement, any change in the equity structure of Videocon d2h requires consultation with, and prior approval from, the MIB. If the DTH License Agreement is terminated or is not renewed, Videocon d2h would lose the ability to provide DTH services in India and its

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business, financial condition and results of operations would be adversely affected. In addition, pay DTH operators, including Videocon d2h, are disputing the license fee with the MIB. These pay DTH operators have claimed, under the respective disputes filed before the Telecom Disputes Settlement Appellate Tribunal, or the TDSAT, that the MIB's entitlement to levy a license fee on the DTH Gross Revenue of the relevant pay DTH operators is restricted to revenue arising out of the licensed activities of the pay DTH operators, and does not extend to any income that may otherwise be earned by the pay DTH operators, such as interest and rental income, among others. The TDSAT in 2008 passed orders in favor of the pay DTH operators and held that the license fee payable by such pay DTH operators is required to be calculated only on the basis of revenue earned from their licensed activities net of certain permitted deductions ("Adjusted DTH Gross Revenue"). The GoI has filed appeals before the Supreme Court of India against the TDSAT's 2008 orders, which are currently pending adjudication.

Videocon d2h has since the commencement of its DTH operations paid license fees to the MIB, calculated on the basis of Adjusted DTH Gross Revenue. Pursuant to Videocon d2h's letter to the MIB dated February 23, 2011 relating to the submission of the statement of Adjusted DTH Gross Revenue for the fiscal year ended March 31, 2010 and payment of its license fee, the MIB issued a letter on April 18, 2011 acknowledging the receipt of the license fee, but stated that such acknowledgement was without prejudice to the rights and contentions raised in the appeals filed by the GoI against the TDSAT's 2008 orders and other special leave petitions pending before the Supreme Court of India and that such acknowledgement was subject to verification of Videocon d2h's final audited accounts. The MIB further noted that the acknowledgement would not constitute the final settlement of the license fees and that the GoI reserves its rights to raise further claims, to call for additional information in order to confirm that the license fees have been paid in full and to take any other action as it may deem fit to recover such amounts. If the Supreme Court rules in favor of the GoI and Videocon d2h is required to pay additional DTH license fees attributable to computation based on DTH Gross Revenue instead of Adjusted DTH Gross Revenue, Videocon d2h may incur additional liability and its business financial condition of operations may be adversely affected. Videocon d2h makes an estimation of and discloses such potential liability in its financial statements as a contingent liability. For the period since incorporation until September 30, 2014, such potential liability is estimated to be Rs.3,037.68 million (inclusive of interest as of March 19, 2014 on liability accruing until March 31, 2013), as per Videocon d2h's financial statements (restated) as of September 30, 2014. See "*Videocon d2h Operating and Financial Review and Prospects*".

Through a demand notice dated March 24, 2014, the MIB raised a demand against Videocon d2h for an aggregate amount of Rs.1,582.89 million towards outstanding license fees (together with interest at the rate of 1% per month) for periods until March 31, 2013, which Videocon d2h has challenged. For details, see "*Videocon d2h's Business — Legal Proceedings*."

Videocon d2h's leased satellite ST-2 is subject to operational, lease and environmental risks that could limit Videocon d2h's ability to utilize the satellite.

Operational risks: ST-2 satellite was launched in May 2011 and it has an estimated useful life of 12 to 15 years. It is subject to significant operational risks while in orbit. These risks include malfunctions that may occur as a result of various factors, such as the satellite manufacturer's errors or operational failures. The satellite is also subject to a variety of atmospheric risks while in orbit that may adversely affect operations, including meteoroid strikes, electrostatic storms, increased solar activity and collisions with space debris. In the event ST-2 satellite experiences a technical failure, is damaged or is lost, Videocon d2h's ability to provide programming to its subscribers could be seriously disrupted or suspended, even for prolonged periods, as Videocon d2h does not have any additional back-up satellite. In the event of such failure, damage or loss, Videocon d2h could not effectively operate its business and may be required to incur significant capital expenditure to restore its operations, including by obtaining replacement satellite capacity. Videocon d2h cannot assure you that it would be able to restore its operations or obtain replacement capacity in a timely manner, or at all. If replacement satellite capacity is not available to Videocon d2h immediately on another satellite at the same geostationary position as the ST-2 satellite, Videocon d2h's ability to continue to provide its programming offerings would be jeopardized, which would adversely affect its business, financial condition and results of operations. In addition, Videocon d2h does not carry any business interruption insurance to cover such losses and, in such event, it is not certain when, if ever, it would be able to resume operations.

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Lease risks: Videocon d2h does not own any satellites and has previously entered into a Ku-Band Lease Agreement, dated April 19, 2012, as amended on June 19, 2013 (the “Ku-Band Lease Agreement”), with the Department of Space, GoI (the “Department of Space”), which provided for the lease of Ku-band space segment capacity on the ST-2 satellite of Singapore Telecommunications Limited (“SingTel”) until February 28, 2015. Although the Ku-Band Lease Agreement is now expired, Videocon d2h continues to utilize the satellite capacity under the terms of the expired agreement. Typically, the Department of Space enters into lease agreements for a period of up to 3 years and the agreements are renewed from time to time. While Videocon d2h believes that it will be able to secure a renewed lease agreement in the near future, there can be no assurance that such an agreement will be secured in a timely manner, or at all. If Videocon d2h is unable to secure suitable replacement satellite transmission capacity, Videocon d2h’s business, financial condition and results of operations would be adversely affected.

Videocon d2h expects that any renewed lease agreement for the Ku-Band Lease Agreement will be on substantially similar terms. Under the Ku-Band Lease Agreement, in the event that Videocon d2h fails to meet its payment obligations for two consecutive months or breaches a provision or fails to perform an obligation and does not cure such breach within 20 days of receiving written notice from the Department of Space, the Department of Space has a right to terminate the Ku-Band Lease Agreement. In the event of such termination by the Department of Space, Videocon d2h would be required to pay certain early termination charges. Also, while Videocon d2h currently believes that it will have sufficient satellite capacity to transmit its existing and planned programming offerings following replacement of the Ku-Band Lease Agreement, it cannot assure you that it will be able to continue to lease such capacity or additional capacity on terms acceptable to it, or at all. If any replacement lease agreement is terminated or expires and Videocon d2h is unable to secure suitable replacement satellite transmission capacity, Videocon d2h’s business, financial condition and results of operations would be adversely affected.

In addition, pursuant to the Ku-Band Lease Agreement, Videocon d2h is, and Videocon d2h expects that pursuant to any renewed lease agreement it will be, required to pay a monthly fee in Indian rupees to Antrix Corporation (which fee is equivalent to 1,791,667 U.S. Dollars for the Ku-Band Lease Agreement). Consequently, if the Indian rupee declines in value as compared to the U.S. Dollar, or if the amounts payable under any future lease agreement increase materially, Videocon d2h will be required to make larger payments in Indian rupees. Any early termination charges and/or increased payments as a result of currency fluctuations may adversely affect Videocon d2h’s business, financial condition and results of operations.

A significant portion of Videocon d2h’s operations are currently located in a single digital broadcast center in Noida, India.

Although Videocon d2h is proposing to set up an additional broadcast site at Bharuch in Gujarat as a back-up to its existing broadcast center, a significant portion of Videocon d2h’s operations are still currently located in a single digital broadcast center in Noida, India. As a result, Videocon d2h is vulnerable to the effects of a natural disaster, such as an earthquake, flood or fire, or other calamity or event, such as technological failure, that would cause significant damage to this facility and/or disrupt its ability to conduct its business. In the event of a significant disruptive event affecting this facility, Videocon d2h may face disruptions in the delivery of programming or degradation in the audio-visual quality of such programming.

Further, pursuant to the terms of the facility’s lease agreement, or the Noida Lease Agreement, executed between Videocon d2h and the Greater Noida Industrial Development Authority, or the GNIDA, Videocon d2h is required to comply with certain terms and conditions, including providing prior written notice to the GNIDA in respect of any change in its capital structure, among other things. If Videocon d2h is in default of the terms of the Noida Lease Agreement, the GNIDA may terminate the lease and Videocon d2h in which case would be required to vacate the facility. If Videocon d2h’s operations at its digital broadcast center in Noida are disrupted for any reason, its business, financial condition and results of operations would be adversely affected.

Videocon d2h has had overdue payments under some of its loan agreements.

Videocon d2h has had aggregate overdue payments of principal of Rs.511.10 million as of September 30, 2014 under certain loan agreements. In addition, during the period from October 1, 2014 through the filing of this proxy statement/prospectus, Videocon d2h has been delayed in making payments under certain of its loan

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agreements from time to time. In the event of its failure to make timely payments to its lenders, such lenders may issue a notice declaring an event of default under each of these loan agreements, however, Videocon d2h's lenders have neither enforced any security nor have accelerated repayments of the loans for any such non-compliance. While Videocon d2h intends to use a portion of the proceeds from the Issue to pay off some outstanding debts, should Videocon d2h fail to comply with the covenants of its various loans in time, or fail to make timely payments to its lenders in the future, and its lenders elect to accelerate any or all amounts outstanding under the relevant loan agreements and declare such amounts immediately due and payable, together with accrued and unpaid interest, it could have an adverse effect on Videocon d2h's business, financial condition and results of operations.

Further, a default by Videocon d2h under the terms of any loan agreement also constitutes a cross-default under other financing agreements entered into by Videocon d2h. Such default could result in the acceleration of amounts due under those facilities, which may individually or in the aggregate have an adverse effect on Videocon d2h's business, financial condition and results of operations. In addition, Videocon d2h may have to dedicate a substantial portion of its future cash flow from operations to repay the debts under the financing agreements, thereby reducing the availability of cash flow to meet working capital requirements and use for other general corporate purposes. Such continued defaults and any action initiated by a lender may also impact Videocon d2h's ability to obtain financing from banks and financial institutions in the future and may result in a decline in the value of Videocon d2h's equity shares and the trading price of the ADSs causing you to lose all or part of your investment.

A significant portion of Videocon d2h's shareholding is pledged as security to banks and financial institutions.

Certain of Videocon d2h's shareholders have pledged an aggregate of 53.44% as of September 30, 2014 of their total shareholding in Videocon d2h to banks and financial institutions in connection with Videocon d2h's existing indebtedness, in addition to executing undertakings (along with powers of attorney) not to transfer or dispose of an additional 21% of their shareholding in Videocon d2h.

In the event of enforcement of pledges on such encumbered equity shares for any reason (including any default under the terms and conditions of the relevant agreements pursuant to which such pledges have been created), such pledged equity shares may be required to be transferred to third parties in favor of which the pledges were created, resulting in a change in Videocon d2h's shareholding pattern, which may adversely affect its ability to carry out its business operations and as a result, adversely affect its business, financial condition, results of operations and the trading price of the ADSs.

Videocon d2h relies on third parties to provide it with programming and any increase in programming costs or new regulations may adversely affect its business, financial condition and results of operations.

Videocon d2h relies on third party content providers to provide it with programming and its ability to compete successfully depends on its ability to continue to obtain programming for delivery to its subscribers at competitive prices. Content procurement by broadcasting service providers in India, including Videocon d2h, takes place through channel distributors or owners. Under Indian interconnection regulations, all channel owners and distributors are required to offer their content to all broadcasting platforms and operators, including pay DTH services providers such as Videocon d2h, subject to payment of content costs, which are regulated by the GoI. Any change in Indian interconnection regulations that would permit content owners and distributors to refuse to provide such programming to DTH operators or to impose discriminatory terms or conditions, may adversely affect Videocon d2h's ability to acquire programming in a cost-effective manner, or at all, which would adversely affect its business, financial condition and results of operations.

Further, Videocon d2h typically enters into agreements with channel distributors and owners, in order to be able to acquire multiple channels offered by such distributors or owners as a bundle, at negotiated prices (typically below the ceiling prices prescribed by the Indian regulator). Significant content agreements that Videocon d2h has entered into at negotiated rates include those entered into with Taj Television (India) Private Limited, Sun TV Network Limited, MSM Discovery Private Limited and IndiaCast UTV Media Distribution Private Limited. Videocon d2h's programming agreements generally have terms ranging from one to five years and contain various renewal and termination provisions.

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Although Videocon d2h has been able to readily renew its contracts with its major content providers it may not be able to renew them on favorable terms in the future, in a timely manner, or at all, if the market environment changes due to new regulations or increase in content costs for the channel distributors. If Videocon d2h is unable to renew its material content agreements, its programming costs may increase. If Videocon d2h is unable to pass on such increased programming costs to its subscribers, or if such increase in the subscribers fees leads to increased subscriber churn or inability to add to its subscriber base, Videocon d2h's business, financial condition and results of operations may be adversely affected. In addition, Videocon d2h has paid its content fees after the due date under its major content agreements from time to time, and the content providers are entitled to terminate the agreement within 21 – 45 days after serving a written demand for payment if payment has not been received by the due date. Although none of the content providers have sought to terminate the agreements due to delayed payments or otherwise since inception Videocon d2h believes it has a good relationship with all the major content providers; Videocon d2h cannot assure you that the major content providers will not exercise their right to terminate the agreements in the future due to delays in payments for content, and termination of those agreements by the major content providers could adversely affect Videocon d2h's business, financial condition and results of operations.

Videocon d2h has entered into, and will continue to enter into transactions with the Videocon Group, as well as other related party transactions, which may involve conflicts of interest and adversely affect Videocon d2h's operations.

Videocon d2h has in the course of its business entered into transactions with the Videocon Group and other related parties. Such transactions carry with them the risk that their terms could benefit related parties, to Videocon d2h's detriment. Videocon d2h may not negotiate or enforce contractual terms as aggressively with related parties as it may with an unrelated party. In addition, such transactions present difficult conflicts of interest, could result in significant and minor disadvantages to the company and may impair investor confidence. These transactions with the Videocon Group and other related parties could also cause Videocon d2h to become materially dependent on related parties in the ongoing conduct of its business, and related parties may be motivated by personal interests to pursue courses of action that are not necessarily in the best interest of Videocon d2h or its shareholders. While Videocon d2h believes that all such transactions have been conducted on an arm's length basis, it cannot assure you that it could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that Videocon d2h may enter into transactions with the Videocon Group and other related parties in the future. Videocon d2h cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on its financial condition and results of operations. See "*Certain Relationships and Related Transactions — Transactions with Videocon Group Entities.*"

Damage to Videocon d2h's relationship with the Videocon Group, including Trend Electronics Limited (a Videocon Group entity) could have a material adverse effect on its business, financial condition and results of operations.

Videocon d2h benefits from its relationship with the Videocon Group in many ways, such as their reputation, the cross-selling of its services through the Videocon Group, the opportunity to reduce its marketing spend by using Videocon Group's existing marketing network and goodwill and the Videocon Group's willingness to guarantee the majority of Videocon d2h's loan agreements. Videocon d2h's growth and future success is influenced, in part, by its continued relationship with its the Videocon Group because of the goodwill and market reputation that Videocon Group has established for itself in India, and Videocon d2h relies on such benefits to position itself in the market to attract subscribers. Videocon d2h cannot assure you that it will be able to continue to take advantage of the benefits of these relationships in the future. If Videocon d2h ceases to benefit from these relationships for any reason, its business, financial condition and results of operations may be adversely affected.

Videocon d2h believes that its subscribers, vendors and members of the financial community perceive the "Videocon" brand to be that of a trusted provider of quality products and services. Videocon d2h cannot assure you that the established "Videocon" brand name will not be adversely affected in the future by events that are beyond its control, including subscriber complaints or adverse publicity from any other source relating

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to the Videocon d2h or the Videocon Group. Any damage to this brand name, if not immediately and sufficiently remedied, could have an adverse effect on Videocon d2h's business, financial condition and results of operations.

In addition, Videocon d2h's success depends significantly on its ability to maintain the "Videocon d2h" brand and successfully build the brand image of its new offerings and brand extensions. In order to increase brand recognition and build the brand image of new offerings and brand extensions, Videocon d2h believes it must continue to devote significant time and resources to advertising and promotions. Videocon d2h cannot assure you that these expenses will result in an increase in favorable recognition of its brand or a sufficient increase in revenues to cover such advertising and promotional expenses.

Videocon d2h has entered into a trademark license agreement with CE India Limited (previously Videocon India Limited), a Videocon Group entity, for the use of the "Videocon" and "V" trademarks, which is valid until March 31, 2022. Videocon d2h cannot assure you that it will continue to have the uninterrupted use and enjoyment of these trademarks as it may be unable to renew the trademark license agreement on acceptable terms or at all.

Further, Videocon d2h has obtained registrations in its name under the Trademarks Act, 1999, as amended for the trademarks "d2h", "D2H" and "DIRECT HAI CORRECT HAI, as granted by Mr. Saurabh Pradipkumar Dhoot (Videocon d2h's Executive Director) to Videocon d2h, under the terms of an agreement dated July 21, 2008. Videocon d2h may not be able to prevent infringement of its trademarks and a passing off action under common law may not provide sufficient protection. Additionally, Videocon d2h may be required to litigate to protect its brands, which may be costly and divert management's attention. Loss of the rights to use these trademarks may adversely affect its business, financial condition and results of operations.

Further, Videocon Industries Limited, the flagship entity of the Videocon Group, has made unsecured loans to Videocon d2h from time-to-time. As of September 30, 2014, such outstanding unsecured loans aggregated to Rs.2,250.00 million.

In addition, Videocon d2h benefits from its relationship with Trend Electronics Limited, or TEL. TEL is an Indian contract electronics manufacturer and the sole supplier of set-top boxes for Videocon d2h. In addition, TEL supplies Videocon d2h with a substantial majority of its other consumer premises equipment. For fiscal years 2013 and 2014, the purchase of set-top boxes and other consumer premises equipment from TEL totaled Rs.6,753.48 million and Rs.5,832.32 million, respectively.

Videocon d2h cannot assure you that it will continue to benefit from its relationship with TEL or other entities in the Videocon Group. In the event that TEL ceases to be a Videocon Group entity, Videocon d2h may be unable to derive the benefits of sourcing set-top boxes and other consumer premises equipment from TEL, such as reducing time-to-market for new set-top boxes and not being required to pay customs or import duties. If TEL is unable, for any reason, to provide Videocon d2h with a sufficient quantity of set-top boxes or other consumer premises equipment, Videocon d2h's ability to add additional subscribers would be impaired, which would adversely affect its results of operations. Videocon d2h cannot assure you in such event that it would be able to obtain set-top boxes or other consumer premises equipment from another supplier on terms favorable to Videocon d2h.

Videocon d2h's business is regulated and failure to obtain required regulatory approvals or clearances to operate its business, or comply with applicable laws, and any adverse changes in applicable laws could adversely affect its business, financial condition and results of operations.

Videocon d2h is subject to various laws and regulations in India arising from its operations in India, and the terms and conditions set out in the DTH License Agreement, which is effective for a period of 10 years from the date of issue of the wireless operational license (which was issued to Videocon d2h on December 12, 2008), unless terminated earlier in accordance with its terms. Among other conditions, in terms of the DTH License Agreement, Videocon d2h is required to obtain prior approval from the MIB for effecting any change in its equity structure (including in respect of equity shares issued pursuant to the Transaction).

Videocon d2h is further subject to various regulatory requirements, which may restrict its ability to conduct business. Under the provisions of India's current Consolidated FDI Policy, effective from April 17, 2014, foreign investment in Videocon d2h is permitted, subject to, among others, the following

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conditions — up to 49.0% of its paid-up equity share capital under the automatic route, and up to 74.0%, with prior approval of the GoI for foreign investment between 49.0% and 74.0%. Further, the following conditions will be required to be fulfilled, in the event of any foreign investment being brought into Videocon d2h:

- A majority of Videocon d2h's Directors, chief executive officer, chief officer in charge of technical network operations and chief security officer must be citizens of India;
- Each of Videocon d2h's Directors, key executive officers such as chief executive officer, chief financial officer, chief security officer, chief technical officer, chief operating officer, any shareholder of Videocon d2h who holds 10.0% or more of its paid-up equity share capital including the ADSs, and any other category of persons as may be specified by the MIB from time to time, have obtained security clearance from the MIB;
- Prior permission of the MIB must be obtained for effecting any changes in Videocon d2h's board of directors, appointment of Directors and any key executives as mentioned above, and any other executives as may be specified by the MIB from time to time; and
- Security clearance must also be obtained for each foreign personnel likely to be deployed for more than 60 days in a year by way of appointment, contract, consultancy or any other capacity for providing any services to Videocon d2h. Such security clearance is required to be renewed every two years.

Under the terms of the Contribution Agreement, it is a condition to Silver Eagle's obligation to close the Transaction that Harry E. Sloan and Jeff Saganksy of Silver Eagle be elected to Videocon d2h's board of directors. Accordingly, prior to the closing of the Transaction, Videocon d2h must receive security clearance from the MIB in respect of each of Messrs. Sloan and Saganksy (and the alternate directors for each, if any). Videocon d2h is currently in the process of obtaining the requisite MIB approval and clearances.

Videocon d2h cannot assure you that it will be able to obtain necessary approvals required from the MIB in the future in a timely manner, or at all, or that it will be able to comply with any further conditions imposed by the MIB while granting such permissions. Further, the MIB has the right to modify, at any time, the laws and regulations applicable to the industry in which Videocon d2h operates, including the DTH Guidelines and the terms and conditions of the DTH License Agreement. Videocon d2h's business could suffer if there are adverse changes to the regulatory environment. Increased regulation or changes in existing regulation may require Videocon d2h to change its business policies and practices and may increase the costs of providing services to subscribers, which could have an adverse effect on its business, financial condition and results of operations. See "*Videocon d2h's Business — Government Regulations.*"

If Videocon d2h is unable to recover the consumer premises equipment from churned subscribers, there could be a significant erosion of the realizable value of its consumer premises equipment.

Consumer premises equipment comprised 85.0% of Videocon d2h's net tangible assets as of September 30, 2014. When subscribers discontinue or terminate services, Videocon d2h is not always able to recover its consumer premises equipment that it has provided on a rental basis to such subscribers. Videocon d2h recognizes a subscriber as a churned subscriber if the subscriber has not made a payment for at least 120 days. As of September 30, 2014, Videocon d2h had experienced a cumulative churn of 2.36 million subscribers since it commenced operations in 2009. If Videocon d2h is unable to recover the consumer premises equipment from such churned subscribers, there could be a significant erosion of the realizable value of its consumer premises equipment. See "*Videocon d2h Operating and Financial Review and Prospects.*"

Videocon d2h faces intense and increasing competition.

Videocon d2h's business is primarily focused on providing DTH pay-TV services and it has traditionally competed against other DTH pay-TV providers and cable companies, some of whom have greater financial, marketing and other resources than Videocon d2h. Moreover, mergers and acquisitions, joint ventures and alliances among cable television providers, telecommunications companies and others may result in, among other things, greater financial leverage and increase the availability of offerings from providers capable of bundling television, broadband and telephone services in competition with Videocon d2h's services. Videocon d2h and its competitors increasingly must seek to attract a greater proportion of new subscribers from each

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other's existing subscriber bases as well as from first-time purchasers of DTH pay-TV services and cable to DTH switch overs. In addition, because other DTH pay-TV providers may be seeking to attract a greater proportion of their new subscribers from Videocon d2h's existing subscriber base, Videocon d2h may be required to increase retention spending which is capital intensive. Competition has intensified in recent years as the DTH pay-TV industry has matured and the growth of digital cable-based pay-TV services offered by digital cable operators. These cable-based pay-TV services have significantly greater capacity, enabling them to offer substantial HD programming content as well as bundled services. This increasingly competitive environment may require Videocon d2h to increase subscriber acquisition and retention spending or accept lower subscriber activations and higher subscriber churn. Further, as a result of this increased competitive environment and the maturation of the DTH pay-TV industry, future growth opportunities of Videocon d2h's DTH pay-TV business may be limited. In addition, Videocon d2h's margins may be reduced if it is unable to finance its capital needs, duly service its debt obligations or secure other financing when needed, on acceptable terms, which could have a material adverse effect on Videocon d2h's business, results of operations, financial condition and cash flow.

Videocon d2h's limited operating history makes evaluating its business and future prospects difficult.

You must consider the risks and difficulties Videocon d2h faces as a company with a limited operating history. Videocon d2h commenced its commercial operations in July 2009. As a result, Videocon d2h has a limited operating history, which may make it difficult for you to evaluate its past performance and future prospects. Videocon d2h's business must be considered in light of the risks and uncertainties inherent in a new venture, and its growth and sustainability are greatly dependent on its ability to attract subscribers. It may need to alter its business and strategies on an ongoing basis to manage its growth, which may require large capital investments, to compete effectively with more established pay DTH operators in India. Videocon d2h cannot assure you that the growth in its subscriber base that it has witnessed during its limited operating history will continue.

Videocon d2h may not be able to generate a sufficient amount of cash flow to meet its debt obligations.

Videocon d2h's ability to make scheduled payments or to refinance its obligations with respect to its indebtedness depends on Videocon d2h's future financial and operating performance, which, in turn, will be subject to prevailing economic conditions and certain financial, business, competitive and other factors beyond its control. If Videocon d2h cannot make scheduled payments on its debt, it will be in default and, as a result, holders of its debt could declare all outstanding principal and interest on its debt to be due and payable and Videocon d2h could be forced into bankruptcy or liquidation. If Videocon d2h's cash flow and capital resources are insufficient to fund its debt obligations, Videocon d2h would face substantial liquidity problems and may be forced to reduce or delay any expansions and capital expenditures, sell material assets or operations, obtain additional capital, restructure its debt or revise or delay its strategic plans. In addition, Videocon d2h cannot assure you that its operating performance, cash flow and capital resources will be sufficient for payment of its debts in the future. If Videocon d2h is required to take any of the actions referred to above, it could have a material adverse effect on its business, financial condition and results of operations. Videocon d2h cannot assure you that it would be able to take any of these actions on terms acceptable to it, or at all, that these actions would enable Videocon d2h to continue to satisfy its capital requirements or that these actions would be permitted under the terms of its various debt instruments. In addition, any refinancing of its debt could be at higher interest rates and may require Videocon d2h to comply with more onerous covenants, which could further restrict its business operations.

Any failure or inadequacy in the operation of Videocon d2h's information technology and network systems may have an adverse effect on Videocon d2h's business operations.

Videocon d2h's success depends, in part, on the continued and uninterrupted performance of its information technology and network systems. The capacity, reliability and security of Videocon d2h's information technology hardware and software infrastructure (including its billing systems) are important to the operation of its current business, which would suffer in the event of system failures or cyber attacks. Similarly, Videocon d2h's ability to expand and update its information technology infrastructure in response to its growth and changing needs is important to the continued implementation of its new service offering

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initiatives. Videocon d2h's inability to expand or upgrade its technology infrastructure could have adverse consequences, which could include the delayed implementation of new service offerings, service or billing interruptions, and the diversion of development resources.

Videocon d2h's systems are vulnerable to damage from a variety of sources, including telecommunications failures, power loss, malicious human acts and natural disasters. Moreover, despite security measures, its servers are potentially vulnerable to physical or electronic break-ins, computer viruses and similar disruptive problems. Despite the precautions Videocon d2h has taken, unanticipated problems affecting its systems could cause failures in its information technology and network systems or disruption in the transmission of signals. Sustained or repeated system failures that interrupt its ability to provide services to its subscribers or otherwise meet its business obligations in a timely manner would adversely affect subscriber satisfaction. If one or more of such events occur, this potentially could jeopardize Videocon d2h's customer and other information processed and stored in, and transmitted through, its information technology hardware and software infrastructure, or otherwise cause interruptions or malfunctions in Videocon d2h's operations, which could result in significant losses or reputational damage to Videocon d2h.

If Videocon d2h's information technology systems are subject to a flood, fire or other natural disaster, terrorism, a computer virus, a power loss, other catastrophe or unauthorized access, its operations and customer relations could be adversely affected. Any failure in the operation of its information technology and network systems could result in business interruptions, which may adversely affect Videocon d2h's reputation, weaken its competitive position and have an adverse effect on its business, financial condition and results of operations. Videocon d2h may also be required to expend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures, and it may be subject to litigation.

Videocon d2h's inability to keep pace with technological developments could have a material adverse effect on its business, financial condition and results of operations.

In the DTH industry, changes occur as new technologies are developed, which could adversely affect Videocon d2h's business and increase its cost of operations. Technological developments within the DTH industry include changes that may result in improved utilization of capacity, more robust content recording features and new interactive content. Consumers may also choose to consume digital media through other platforms, such as computers, mobile phones, tablet computers and other devices capable of being used to view media contents. If Videocon d2h is unable to keep pace with such technological developments, its business, financial condition and results of operations may be adversely affected. If new technologies on which Videocon d2h focuses its investments fail to achieve acceptance in the marketplace or its technology does not work and requires significant cost to replace or fix, Videocon d2h could suffer a material adverse effect on its future competitive position, which could cause a reduction in its revenues and earnings. To access technologies and provide products that are necessary for Videocon d2h to remain competitive, Videocon d2h may make future acquisitions and investments and may enter into strategic partnerships with other companies. Such investments may require a commitment of significant capital and human and other resources. The value of such acquisitions, investments and partnerships and the technology accessed may be highly speculative. Arrangements with third parties can lead to contractual and other disputes and dependence on others for the development and delivery of necessary technology that Videocon d2h may not be able to control or influence. Such relationships may commit Videocon d2h to technologies that are rendered obsolete by other developments or preclude the pursuit of other technologies which may prove to be superior.

In addition, Videocon d2h's business is subject to risks relating to increasing competition from other leisure and entertainment activities which occupy consumers' time. Videocon d2h's business competes with many other sources of entertainment and information delivery, including broadcast television, films, live events, radio broadcasts, home video products, video and computer games, print media, social media and the Internet. Technological advancements, such as new video formats, and the delivery of video content through streaming and downloading services on the Internet, have increased the number of entertainment and information delivery choices available to consumers and intensified the challenges posed by audience fragmentation. The increasing number of choices available to audiences could adversely affect demand for Videocon d2h's products and services and changes in technology could adversely affect Videocon d2h's ability to maintain, expand or upgrade its systems and respond to competitive pressures. Videocon d2h cannot assure

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you that it will be able to fund the capital expenditures necessary to keep pace with future technological developments. Videocon d2h also cannot assure you that it will successfully anticipate the demand for products and services requiring new technology. Any inability to keep pace with technological changes and provide advanced services in a timely manner, or to anticipate the demands of the market, could adversely affect its business and increase its costs of operations.

The Court of Turin, Italy has, by an ex-parte decree, ordered that Videocon Industries, a Videocon Group entity, pay certain lenders of an erstwhile subsidiary a total principal amount of the loan that the erstwhile subsidiary had incurred, which order may be enforced against Videocon Industries. The enforcement of such order or other events could result in Videocon d2h being in default or cross-default under certain provisions of Videocon d2h loan agreements.

In June 2007, Intesa Sanpaolo S.p.A. (“Intesa”) and Banca Intesa Mediocredito S.p.A. (“Banca Intesa”) (collectively, the “Lenders”) entered into a loan agreement with VDC Technologies S.p.A. (“VDC”), a company incorporated in Italy, which was then an indirect subsidiary of Videocon Industries, for a maximum principal amount of €35 million. In relation to the loan to VDC, Videocon Industries issued patronage letters dated June 1, 2007 and June 5, 2007 in favor of Intesa (collectively, the “Patronage Letters”), towards the fulfillment of VDC’s obligations under the loan agreement.

VDC ceased to be a subsidiary of Videocon Industries in March 2008 which was intimated to Intesa. Since such time, VDC had allegedly defaulted under the terms of the loan agreement. Intesa sought to enforce the Patronage Letters alleging continued default under the loan agreement, including as a result of VDC ceasing to be a subsidiary of Videocon Industries in April 2011, and subsequently initiated injunction proceedings in the Court of Turin, Italy demanding that Videocon Industries fulfill its obligations under the Patronage Letters. The Court of Turin, Italy passed an ex-parte decree against Videocon Industries ordering that it pay Intesa the principal amount of the loan of €35 million along with other interests and costs incurred, aggregating €36.2 million.

Recognition and enforcement of foreign judgments in India are provided for under Section 13 and Section 44 A of the Code of Civil Procedure, 1908 (“CPC”). Italy is not recognized as a reciprocating country by the GoI for the purpose of enforcing foreign judgments and, as a result, Intesa will be required to file a suit upon the foreign judgment in the appropriate court in India and obtain a fresh decree against Videocon Industries. Accordingly, Intesa filed a suit on August 21, 2012 in the Bombay High Court against Videocon Industries and served a notice of motion for interim relief pursuant to which Intesa has sought an order to the effect that the judgment passed by the Court of Turin, Italy be declared as valid, binding, conclusive and enforceable against Videocon Industries and that pending the hearing and final disposal of the suit, Videocon Industries be directed to secure the payment due to Intesa by restraining Videocon Industries from alienating or disposing of its assets and property. The Bombay High Court has not granted this ad-interim relief sought by Intesa and the matter is pending a final hearing.

Intesa has also served Videocon Industries with a legal notice dated July 3, 2012 demanding that payment be made amounting to €36.7 million plus all agency fees and ancillary costs subject to a maximum of €38.0 million under the loan agreement and the Patronage Letters and reserved its right to initiate winding up proceedings against Videocon Industries in the event that such payment was not made within three weeks of the receipt of the notice. Videocon Industries had sent a response to the legal notice dated July 28, 2012 denying Intesa’s claim. Intesa filed a winding up petition on October 18, 2012 in the Bombay High Court against Videocon Industries, which by an order dated December 5, 2013, directed that the winding up petition will stand dismissed if Videocon Industries deposits an amount of Rs.2,597.30 million (being equivalent to €38 million), with the Bombay High Court by January 27, 2014 which Intesa will be entitled to draw. The Bombay High Court further directed that in the event the aforesaid amount is not deposited on or before January 27, 2014, the winding up petition will be admitted without further reference to the court. Videocon Industries filed an appeal (No.(L) No.29/2014) before the Division Bench of the Bombay High Court, challenging the order, but the appeal was dismissed by an order dated July 23, 2014. The Division Bench of the Bombay High Court, by an order dated July 19, 2014, dismissed the appeal filed by Videocon Industries Limited, granted Videocon Industries Limited eight weeks to appeal before the Supreme Court and stayed the implementation of the order dated December 5, 2013. Subsequently, Videocon Industries Limited filed an appeal before the Supreme Court challenging the order of the Bombay High Court dated July 19, 2014. The

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Supreme Court, by an order dated September 22, 2014, directed that the fixed sum deposited with the Supreme Court (and maturing on October 7, 2014) should be renewed for a period of two years and granted an interim stay on the enforcement of the Bombay High Court's order dated July 19, 2014.

Further, as a result of the alleged violation of the terms of the Patronage Letters together with the ex-parte decree passed by the Court of Turin, Videocon Industries may be determined to be in default under certain of its financing agreements, including a cross-default under the terms and conditions of the unsecured US\$200,000,000, 6.75% convertible bonds due 2015 (the "Bonds") issued by Videocon Industries. Any default or declaration of an event of default under the Bonds could have an adverse effect on Videocon Industries' and the Videocon Group's financial condition, business and reputation.

Videocon Industries is the flagship entity of the Videocon Group, a group that Videocon d2h has a strong relationship with. One of the benefits that Videocon d2h enjoys as a result of its relationship with the Videocon Group is that majority of Videocon d2h's secured loans were either guaranteed or supported through undertakings by Videocon Industries. Under the terms of these facilities, Videocon d2h may be in default if one of Videocon d2h guarantors (including Videocon Industries), fails to comply with its own debt obligations, defaults under one or more of its loan facilities or if any of such entities' indebtedness, becomes due and payable prior to maturity on account of an event of default. For example, if Videocon Industries were to default under a loan facility or if any of its indebtedness becomes due and payable prior to maturity on amount of an event of default, such event could trigger a series of defaults or cross-defaults under its or Videocon d2h's loan facilities on which Videocon Industries has provided a guarantee or an undertaking and all outstanding amounts under the Videocon d2h loan facilities could become due and payable immediately, together with accrued interest, which could adversely affect Videocon d2h's financial condition, business, results of operations and reputation.

None of Videocon d2h's lenders have notified Videocon d2h of an event of default under the terms of any of the loan agreements as a result of the legal proceedings against Videocon Industries in the Intesa matter provided above or otherwise. However, in the event that a lender notifies Videocon d2h of an event of default, such lender could declare all amounts outstanding thereunder to be due and payable immediately, together with accrued interest, and in certain instances, enforce their security constituted over Videocon d2h's various assets and take possession of those assets, which would adversely affect Videocon d2h's financial condition, business, results of operations and reputation.

In addition, on account of cross-default and cross-acceleration provisions in Videocon d2h's loan agreements, any notification or declaration of an event of default or a potential event of default under any of Videocon d2h's loan facilities could result in cross-default and cross-acceleration of all of its outstanding indebtedness as well as payment of penalty interest, which would adversely affect Videocon d2h's financial condition, business and results of operations. In addition, if Videocon Industries were declared to be in default of any of their loan facilities, due to Videocon d2h's relationship with the Videocon Group, any such declaration could have an adverse effect on Videocon d2h's business, prospects and reputation, even if the lenders did not declare Videocon d2h to be in cross-default.

Videocon d2h's insurance coverage may not be adequate to protect it against any operational risks or claims.

Videocon d2h maintains insurance coverage on its Noida digital broadcast center infrastructure assets, and on consumer premises equipment up to the point where Videocon d2h delivers them to its distributors, for a variety of risks, including, among others, risks relating to fire, burglary, earthquake and certain other losses and damages. However, any claim under the insurance policies maintained by Videocon d2h may be subject to certain exceptions, may not be honored fully, in part, in a timely manner, or at all, and Videocon d2h may not have purchased sufficient insurance to cover all losses that it may incur. Videocon d2h is not insured for certain risks and losses, such as loss of business or business interruption, environmental liabilities and other natural disasters. If Videocon d2h's insurance coverage does not adequately protect it against any operational risks or claims, its business, financial condition and results of operations may be adversely affected. Additionally, in the future, insurance coverage may not be available to Videocon d2h on commercially acceptable terms, or at all.

The success of Videocon d2h's business is substantially dependent on its executive officers and technical teams.

Videocon d2h's ability to sustain its growth and succeed in the future depends on its ability to attract, hire, train and retain skilled personnel. Videocon d2h believes that there is a significant demand for personnel who possess the skills needed in its business. The DTH industry has witnessed a significant number of new entrants and the competition for talent has intensified. Any increase in the rate of attrition of Videocon d2h's experienced employees would adversely affect its business. Videocon d2h cannot assure you that it will be successful in recruiting and retaining a sufficient number of executive officers and technical teams with the requisite skills to replace those personnel who leave. Further, Videocon d2h cannot assure you that it will be able to re-deploy and re-train its personnel to keep pace with continuing changes in its business.

Videocon d2h may be unable to manage its growth effectively.

Since the commencement of Videocon d2h's operations, its subscriber base and total revenue have grown rapidly. Videocon d2h's gross DTH subscriber base has increased from approximately 0.44 million as of March 31, 2010 to 11.82 million as of September 30, 2014, according to the MPA Report. Videocon d2h's total revenue has increased from Rs.142.07 million for fiscal year 2010 to Rs.17,644.10 million for fiscal year 2014. In order to manage its continued growth effectively, Videocon d2h must continue to increase its subscriber base, acquire programming offerings, manage the selection of programming it offers, including the structuring of subscriber packages, introduce new models of set-top boxes and additional service features, develop and improve its operational, financial and other controls, keep pace with technological advancements, effectively withstand pricing and other competitive pressures, effectively manage a growing labor force and hire, train and retain skilled personnel for its management and technical teams. If Videocon d2h is unable to manage its growth effectively, its business, financial condition and results of operations may be adversely affected.

Videocon d2h experiences seasonal fluctuations in its business.

Videocon d2h is exposed to seasonal fluctuations in its business. India's DTH market is affected by seasonal factors, such as Diwali and other regional festivals and sports events, especially cricket tournaments such as the ICC Cricket World Cup. Other seasonal sporting events that could affect the demand in the DTH industry are major football leagues and the Olympics. These seasonal events could have an impact on subscribers in the suspension or churn group to become active subscribers and additional new subscribers may sign up for its services during these festivals or sporting events. Further, existing subscribers may move from a base pack to a sports pack or sports HD pack which would result in additional revenue for Videocon d2h during the relevant period. However, Videocon d2h cannot assure you that the subscribers who sign up for its services or upgrade their subscription packages during such events will continue to pay for their subscriptions or not revert to base subscription packages which could adversely affect the business, financial condition and results of operations of Videocon d2h.

Videocon d2h's Principal Shareholders shall continue to retain a majority of control in Videocon d2h after the Issue, which shall allow them to exercise significant control over Videocon d2h.

After the completion of the Issue, Videocon d2h's Principal Shareholders, will hold, directly or indirectly, between approximately 61.58% and 66.58% of Videocon d2h's outstanding equity shares. As a result, its Principal Shareholders will continue to exercise significant control over Videocon d2h, including being able to elect all of the members of its board of directors and thereby control its management and affairs. In addition, by exercising their control, Videocon d2h's Principal Shareholders could delay, defer or cause a change of Videocon d2h's control or a change in its capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving Videocon d2h, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of Videocon d2h. Videocon d2h's Principal Shareholders may take or block actions with respect to its business, which may conflict with its interests or the interests of its minority shareholders. Videocon d2h cannot assure you that its Principal Shareholders will always act in Videocon d2h's or your best interests.

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Videocon d2h does not intend to pay dividends in the foreseeable future. Even if Videocon d2h decides to pay dividends in the future, Videocon d2h's ability to pay dividends will depend upon its future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in Videocon d2h's financing arrangements.

Videocon d2h has not declared any dividends since its incorporation, has not adopted a formal dividend policy and does not intend to pay dividends in the foreseeable future. The declaration and payment of dividends by Videocon d2h, if any, will be recommended by its board of directors and approved by its shareholders at their discretion, subject to the provisions of Videocon d2h's Articles of Association and the Indian Companies Act. As a result, capital appreciation in the price of its ADSs, if any, may be your only source of gain on an investment in Videocon d2h's ADSs.

Videocon d2h's ability to pay dividends in the future will depend upon a variety of factors, including its future earnings, financial condition, cash flows, working capital requirements, capital expenditure, restrictive covenants in its financing arrangements and other factors. As a result, Videocon d2h cannot assure you that it will declare or pay dividends of any particular amount, with any particular frequency or at all. In addition, under the Indian Companies Act and the rules framed there under, a company is permitted to declare or pay dividends in any year out of profits for that year after providing for depreciation, as prescribed. In the event of inadequacy or absence of profits in a particular year, dividends may be paid out of the accumulated profits of the company (after providing for depreciation) which remain undistributed and transferred to the free reserves, subject to certain conditions, including that carried over losses and depreciation not provided for in previous years are set off against the profit of the current year. Videocon d2h had a loss for fiscal year 2014 of Rs.3,195.48 million. There can be no assurance that Videocon d2h will have distributable funds in future periods nor can Videocon d2h assure you that it will be able to generate profit and eliminate its accumulated loss in the future so as to enable it to pay dividends under the Indian Companies Act.

Implementation of the proposed employee plans will result in a charge to Videocon d2h's profit and loss account, which may adversely affect its results of operations.

Videocon d2h's board of directors and shareholders have adopted, subject to the approval of the MIB, the Videocon d2h Employees Stock Option Scheme 2014, or the ESOP 2014, effective from August 1, 2014. The ESOP 2014 will be administered by the Nomination, Remuneration and Compensation Committee of Videocon d2h's board of directors and implemented by the Videocon d2h Employees Welfare Trust. Upon receipt of the approval of the MIB, Videocon d2h expects to complete allotment of 4,000,000 equity shares to the Videocon d2h Employees Welfare Trust, in accordance with the ESOP 2014. Additionally, Videocon d2h shall adopt a stock option plan, in accordance with applicable law, granting Mr. Saurabh Dhoot stock options at closing which shall be exercisable, subject to the achievement of certain ADS price targets for a specified period following the closing, to receive 2,800,000 equity shares of Videocon d2h, equivalent to 700,000 Videocon d2h ADSs.

Under IFRS, the grant of stock options will result in a charge to Videocon d2h's profit and loss account and dilute the Earnings per Share which may adversely affect its results of operations.

Risks Related to Videocon d2h's Operations in India

A slowdown in economic growth in India may adversely affect Videocon d2h's business, financial condition, results of operations, the value of its equity shares and the trading price of the Videocon d2h ADSs.

Videocon d2h's results of operations and financial condition are dependent on, and have been adversely affected by, conditions in financial markets in the global economy, and, particularly in India. The Indian economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, business corruption, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, inflation, commodity and energy prices and various other factors. Any slowdown in the Indian economy may adversely affect Videocon d2h's business, financial condition, results of operations, value of its equity shares and the trading price of the Videocon d2h ADSs.

Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and a decline in the value of Videocon d2h's equity shares and trading price of the ADSs.

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets in which Videocon d2h operates its business and also adversely affect the worldwide financial markets. In addition, Asia has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, such as the attacks in Mumbai in November 2008 and in July 2011, may result in investor concern about stability in the region, which may adversely affect the value of Videocon d2h's equity shares and the trading price of the ADSs. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have an adverse effect on the Videocon d2h's business, including the value of equity shares and the trading price of the ADS.

The occurrence of natural disasters may adversely affect Videocon d2h's business, financial condition and results of operations.

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect Videocon d2h's business, financial condition or results of operations. The potential impact of a natural disaster on Videocon d2h's results of operations and financial position is speculative, and would depend on numerous factors. The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the H5N1 "avian flu", or H1N1, the swine flu, cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India could adversely affect Videocon d2h's business, financial condition and results of operations. Videocon d2h cannot assure you that natural disasters will not occur in the future or that its business, financial condition and results of operations will not be adversely affected.

Any downgrade of credit ratings of India or Indian companies may adversely affect Videocon d2h's ability to raise debt financing.

India's sovereign foreign currency long-term debt is currently rated (i) "BBB-" (negative) by Standard & Poor's Rating Group, a division of McGraw-Hill Companies, Inc., or Standard & Poor's, (ii) "BBB-" (negative) by Fitch Ratings Ltd, or Fitch, and (iii) "Baa3" (stable) by Moody's Investors Services Limited, or Moody's. These ratings reflect an assessment of the GoI's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due.

No assurance can be given that Standard & Poor's, Fitch, Moody's or any other statistical rating organization will not downgrade the credit ratings of India. Any downgrade could cause interest rates and borrowing costs to rise, which may negatively impact both the perception of credit risk associated with Videocon d2h's current variable rate debt and its ability to access the debt markets on favorable terms in the future. This could have an adverse effect on Videocon d2h's financial condition.

A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy.

According to a report released by Reserve Bank of India (RBI), India's foreign exchange reserves totalled approximately US\$320 billion as of December 19, 2014. India's foreign exchange reserves have declined recently and may have negatively affected the valuation of the Rupee. Further declines in foreign exchange reserves could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect Videocon d2h's future financial condition and the market price of the Videocon d2h ADSs.

Videocon d2h relies on certain data from third parties in this proxy statement/prospectus.

Videocon d2h relies on third party data from the GoI and industry publications contained herein, including the MPA Report, and although Videocon d2h believes these sources to be reliable, it cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable

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information compiled with regard to other countries. Therefore, discussions of matters relating to India, its economy or the pay television industry herein are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable.

These facts and other statistics include the facts and statistics included in “*Industry and Market Data*” and “*Industry Overview*”. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, Videocon d2h cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

Risks Related to Videocon d2h ADSs and this Issue

Since a majority of Videocon d2h’s directors, officers and assets reside or are located outside of the United States, investors may have difficulty enforcing judgments against Videocon d2h, its directors and officers.

Videocon d2h is incorporated under the laws of India. Further, Videocon d2h conducts substantially all of its operations in India. The majority of its directors and officers, and some of the experts named in this proxy statement/prospectus, reside outside the United States, and a majority of Videocon d2h’s assets and some or all of the assets of such persons are located outside the United States. As a result, it may be difficult or impossible to effect service of process within the United States upon Videocon d2h or those persons, or to recover against Videocon d2h or those persons on judgments of United States courts, including judgments predicated upon the civil liability provisions of the United States federal securities laws. An award of punitive damages by a United States court based upon United States federal securities laws is likely to be construed by Indian courts to be penal in nature and therefore unenforceable in India. Further, no claim may be brought in India against Videocon d2h or its directors and officers in the first instance for a violation of United States federal securities laws because these laws have no extraterritorial application under Indian law and are not enforceable in India. However, an Indian court may impose civil liability, including the possibility of monetary damages, on Videocon d2h or its directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Indian law. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that the Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian practice or public policy.

The courts of India would not automatically enforce judgments of United States courts obtained in actions against Videocon d2h or its directors and officers, or some of the experts named herein, predicated upon the civil liability provisions of the United States federal securities laws, or entertain actions brought in India against Videocon d2h or such persons predicated solely upon United States federal securities laws. Further, the United States has not been declared by the Government of India to be a reciprocating territory for the purposes of enforcement of foreign judgments, and there are grounds upon which Indian courts may decline to enforce the judgments of United States courts. Some remedies available under the laws of United States jurisdictions, including remedies available under the United States federal securities laws, may not be allowed in Indian courts if contrary to public policy in India. Because judgments of United States courts are not automatically enforceable in India, it may be difficult for you to recover against Videocon d2h or its directors and officers or some experts named in this proxy statement/prospectus based upon such judgments. In India, prior approval of the RBI is required in order to repatriate any amount recovered pursuant to such judgments. See “*Enforceability of Civil Liabilities.*”

As a foreign private issuer, Videocon d2h is permitted to, and Videocon d2h will, follow certain home country corporate governance practices in lieu of certain NASDAQ requirements applicable to U.S. issuers. As a result, Videocon d2h’s shareholders will not have the protections afforded by these corporate governance requirements, which may make its ADSs less attractive to investors or otherwise harm the ADS share price.

As a foreign private issuer whose ADSs will be listed on NASDAQ, Videocon d2h will be permitted to follow certain home country corporate governance practices in lieu of certain NASDAQ requirements, although Videocon will be subject to certain independence requirements with respect to its audit committee

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under NASDAQ rules. NASDAQ listing rules require, inter alia, that (i) a majority of the board of directors of a listed company be comprised of independent directors; (ii) each listed company have an audit committee comprised of at least three members, each of whom must be an independent director; and (iii) each listed company have a compensation committee comprised of at least two members, each of whom must be an independent director.

In accordance with the Indian Companies Act a public company with paid up share capital of Rs.100 million or more; or turnover of Rs.1,000 million or more; or outstanding loans, debentures and deposits which in aggregate exceed Rs.500 million, is required to have at least two independent directors on its board of directors. Further, such company is required to constitute a Nomination and Remuneration Committee, comprising at least three non-executive directors, of whom a majority must be independent directors, who shall be responsible for determining qualifications and independence of directors and formulating a policy relating to the remuneration of directors and key managerial personnel. A foreign private issuer must disclose in its annual reports filed with the Securities and Exchange Commission, or the SEC, each NASDAQ requirement it does not comply with, followed by a description of its applicable home country practice. As a company incorporated in India and listed on the NASDAQ, Videocon d2h expects to follow its home country practice with respect to the composition of Videocon d2h's board of directors and Nomination, Remuneration and Compensation Committees and executive sessions. Unlike the requirements of the NASDAQ, the corporate governance practice and requirements in India include, that a "public company" under the Indian Companies Act, which is not listed on any stock exchanges in India, is required to comply with the provisions of the Indian Companies Act, including the following provisions relating to corporate governance:

Composition of Board of Directors: In accordance with Indian Companies Act, a public company with paid up share capital of Rs.100 million or more; or turnover of Rs.1,000 million or more; or outstanding loans, debentures and deposits which in aggregate exceeds Rs.500 million, is required to have at least two independent directors on its board of directors. The Indian Companies Act prescribes certain eligibility criteria for qualifying as an independent director.

Additionally, a public company with paid up share capital of Rs.1,000 million or more; or turnover of Rs.3,000 million or more is required to have at least one woman director on its board of directors with effect from April 1, 2015.

Board Committees: In accordance with the Indian Companies Act, a public company with paid up share capital of Rs.100 million or more; or turnover of Rs.1,000 million or more; or outstanding loans, debentures and deposits which in aggregate exceeds Rs.500 million, is required to constitute the following committees.

- **Audit Committee** — The audit committee, in accordance with Indian Companies Act, is required to be composed of at least three directors, with independent directors forming a majority; however, because Videocon d2h expects the ADSs to be listed on NASDAQ following the closing of the Transaction, it will be required to have an audit committee consisting entirely of independent directors, subject to certain limited exceptions. Majority of the members, including the chairman of the audit committee should have the ability to read and understand financial statements. The audit committee is responsible for overseeing a company's financial reporting process and disclosures of its financial information.
- **Nomination and Remuneration Committee** — The nomination and remuneration committee, responsible for determining qualifications and independence of directors and formulating a policy relating to the remuneration of directors and key managerial personnel, shall be composed of three or more non-executive directors, of which not less than one half should be independent directors.

In addition, should a company have net worth of Rs.5,000 million or more; or turnover of Rs.10,000 million or more; or net profit of Rs.50 million or more during any fiscal year, it will be required to constitute a Corporate Social Responsibility Committee of the Board composed of three or more directors, of which at least one director is required to be an independent director. Similarly, should a company have more than 1,000 security holders; it will be required to constitute a Stakeholders Relationship Committee for

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resolving the grievances of the security holders, composed of a chairman who is a non-executive director and such other members that the board of directors may decide.

Accordingly, Videocon d2h's shareholders will not have the same protection afforded to shareholders of companies that are subject to all of the NASDAQ corporate governance requirements, which could make its ADSs less attractive to some investors or could otherwise harm the ADS share price.

An active trading market for Videocon d2h ADSs may not develop and the trading price for Videocon d2h ADSs may fluctuate significantly.

Prior to this Issue, there has been no public market for Videocon d2h's equity shares or ADSs. If an active public market for Videocon d2h's ADS does not develop after this Issue, the market price and liquidity of Videocon d2h's ADS may be adversely affected. Assuming Videocon d2h's ADSs are approved for listing on the NASDAQ Global Market, a liquid public market for Videocon d2h's ADSs may not develop or be sustained after this Issue. The offering price for Videocon d2h's ADS was determined by negotiation among Videocon d2h and Silver Eagle and the price at which the ADSs are traded after this Issue may decline below the offering price, which means you may experience a decrease in the value of your ADSs regardless of Videocon d2h's operating performance or prospects. In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted securities class actions against that company. If Videocon d2h were involved in a class action suit, it could divert the attention of senior management, and, if adversely determined, could have a material adverse effect on Videocon d2h's business, results of operations and financial condition.

Because the price of the ADSs is substantially higher than Videocon d2h's book value per equity share, you will incur immediate and substantial dilution.

Purchasers of Videocon d2h ADSs will experience immediate and substantial dilution in net tangible book value per ADS from the Issue price per ADS. Assuming no Silver Eagle stockholders exercise their redemption rights, after giving effect to the issue of ADSs at the assumed Issue price of US\$10.00 per ADS, Videocon d2h's net tangible book value as of September 30, 2014 would have been approximately US\$151.90 million, or US\$1.55 per ADS. This represents an immediate dilution in net tangible book value of US\$8.45 per ADS to investors in this Issue.

The sale or availability for sale of substantial amounts of Videocon d2h ADSs could adversely affect its market price.

Sales of substantial amounts of Videocon d2h's ADSs in the public market after the completion of this Issue, or the perception that such sales could occur, could adversely affect the market price of Videocon d2h's ADSs and could materially impair Videocon d2h's future ability to raise capital through offerings of ADSs or other equity shares.

Assuming no Silver Eagle stockholders exercise their redemption rights, Videocon d2h will have 393 million equity shares outstanding immediately after this Issue. Further, although certain of Videocon d2h shareholders are subject to restrictions on selling shares until the expiration of the lock-in period, all of the ADSs exchanged in this Issue will be freely tradable without restriction or further registration under the US Securities Act of 1933, or the Securities Act, unless held by Videocon d2h's "affiliates" or Silver Eagle's "affiliates" as that term is defined in Rule 144 under the Securities Act. Subject to the one year or 365-day lock-up restrictions described below and other applicable restrictions and limitations under Rule 144 of the Securities Act, all of Videocon d2h's equity shares outstanding prior to this Issue will be eligible for sale in the public market. If these equity shares are converted to ADSs and sold, or if it is perceived that they will be sold, in the public market, the value of Videocon d2h's equity shares and the ADSs could decline.

In connection with this Issue, Videocon d2h and its Principal Shareholders have agreed, subject to some exceptions, not to sell any equity shares or equity shares converted into ADSs for a period of one year after the date of this proxy statement/prospectus without the approval of the Audit Committee ability to amend the Lock-up Agreement. However, after the Lock-up Agreement expires, Videocon d2h cannot predict what effect, if any, market sales of equity shares held by Videocon d2h's Principal Shareholders or any other shareholder

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or the availability of these equity shares for future sale will have on the market price of Videocon d2h ADSs. See *Risk Factors* — “A significant portion of Videocon d2h’s shareholding is pledged as security to banks and financial institutions.”

Future issuances of any equity shares by Videocon d2h may dilute your holdings and decrease the market value of your ADSs.

Any issuance of equity shares by Videocon d2h after this Issue such as pursuant to Videocon’s ESOP 2014, could dilute the interests of Videocon d2h shareholders and could substantially decrease the value of Videocon d2h’s equity shares and the ADSs. Videocon d2h may issue equity or equity-linked securities in the future for a number of reasons, including to finance Videocon d2h’s operations and business strategy (including in connection with acquisitions and other transactions), to adjust Videocon d2h’s ratio of debt to equity, to satisfy Videocon d2h’s obligations upon the exercise of then-outstanding options or other equity-linked securities, if any, or for other reasons.

The requirements of being a public company may strain Videocon d2h’s resources, divert management’s attention and affect our ability to attract and retain qualified board members.

As a public company, Videocon d2h will be subject to the reporting requirements of the Securities Exchange Act, the Sarbanes-Oxley Act and NASDAQ rules, including those promulgated in response to the Sarbanes-Oxley Act. The requirements of these rules and regulations will increase Videocon d2h’s legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources. The Exchange Act requires, among other things, that Videocon d2h file annual, quarterly and current reports with respect to its business and financial condition. The Sarbanes-Oxley Act requires, among other things, that Videocon d2h maintain effective disclosure controls and procedures and internal controls for financial reporting. To maintain and improve the effectiveness of Videocon d2h’s disclosure controls and procedures, it will need to commit significant resources, hire additional staff and provide additional management oversight. Videocon d2h will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. In addition, sustaining Videocon d2h’s growth also will require it to commit additional management, operational and financial resources to identify new professionals to join its organization and to maintain appropriate operational and financial systems to adequately support expansion. These activities may divert management’s attention from other business concerns, which could have a material adverse effect on Videocon d2h’s business, financial condition, results of operations and cash flows.

Videocon d2h expects to incur significant additional annual expenses related to these steps associated with, among other things, director fees, reporting requirements, transfer agent fees, additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses. Videocon d2h also expects that the new rules and regulations to which it will be subject as a result of being a public company will make it more expensive for Videocon d2h to obtain director and officer liability insurance, and it may be required to accept reduced coverage for such directors and officers. Any of these factors could make it more difficult for Videocon d2h to attract and retain qualified members of its board of directors.

Videocon d2h has no operating history as a publicly-traded company, and its inexperience could materially and adversely affect the company and its shareholders.

Videocon d2h has no operating history as a publicly-traded company. Its board of directors and senior management team will have overall responsibility for the company’s management and only a limited number of Videocon d2h’s directors or members of our senior management team have prior experience in operating a public company. As a publicly-traded company, Videocon d2h will be required to develop and implement substantial control systems, policies and procedures in order to satisfy its periodic Securities and Exchange Commission, or SEC, reporting and NASDAQ obligations. Videocon d2h cannot assure you that management’s past experience will be sufficient to successfully develop and implement these systems, policies and procedures and to operate the company. Failure to do so could jeopardize Videocon d2h’s status as a public company, and the loss of such status may materially and adversely affect the company and its shareholders.

If Videocon d2h fails to establish and maintain an effective system of integrated internal controls, it may not be able to report its financial results accurately, which could have a material adverse effect on its business, financial condition and results of operations.

Ensuring that Videocon d2h has adequate internal financial and accounting controls and procedures in place so that it can produce accurate financial statements on a timely basis is a costly and time-consuming effort that will need to be evaluated frequently. Section 404 of the Sarbanes-Oxley Act requires public companies to conduct an annual review and evaluation of their internal controls and attestations of the effectiveness of internal controls by independent auditors. Videocon d2h would be required to perform the annual review and evaluation of our internal controls no later than for the fiscal year ending 2020. Videocon d2h initially expects to qualify as an emerging growth company, and thus, would be exempt from the auditors' attestation requirement until such time as Videocon d2h no longer qualifies as an emerging growth company. Videocon d2h will need to implement substantial control systems and procedures in order to satisfy the reporting requirements under the Exchange Act and applicable NASDAQ requirements, among other items. Establishing these internal controls will be costly and may divert the management's attention.

Evaluation by Videocon d2h of its internal controls over financial reporting may identify material weaknesses that may cause it to be unable to report our financial information on a timely basis and thereby subject it to adverse regulatory consequences, including sanctions by the SEC or violations of NASDAQ listing rules. There also could be a negative reaction in the financial markets due to a loss of investor confidence in Videocon d2h and the reliability of its financial statements. Confidence in the reliability of Videocon d2h's financial statements also could suffer if it or its independent registered public accounting firm were to report a material weakness in its internal controls over financial reporting. This could materially adversely affect Videocon d2h's business, financial condition and results of operations and could also lead to a decline in the price of its ADSs.

If securities or industry analysts do not publish research or reports about Videocon d2h's business, or if they downgrade their recommendations regarding its ADSs, the ADS stock price and trading volume could decline.

The trading market for Videocon d2h's ADSs will be influenced by the research and reports that industry or securities analysts publish about Videocon d2h or its business. If any of the analysts who cover Videocon d2h downgrades its ADSs or publishes inaccurate or unfavourable research about its business, its ADS stock price may decline. If analysts cease coverage of Videocon d2h or fail to regularly publish reports on Videocon d2h, Videocon d2h could lose visibility in the financial markets, which in turn could cause its ADS stock price or trading volume to decline and its ADSs to be less liquid.

Videocon d2h's ADS price may be volatile and may decline substantially from the offering price.

Even if a trading market develops, the market price of Videocon d2h's ADSs may be highly volatile and could be subject to wide fluctuations. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could reduce the market price of its ADS in spite of its operating performance. In addition, Videocon d2h's operating results could be below the expectations of public market analysts and investors due to a number of potential factors, including variations in its quarterly operating results or dividends, if any, to holders of its ADSs, additions or departures of key management personnel, failure to meet analysts' earnings estimates, publication of research reports about its industry, litigation and government investigations, changes or proposed changes in laws or regulations or differing interpretations or enforcement thereof affecting its business, adverse market reaction to any indebtedness Videocon d2h may incur or securities it may issue in the future, changes in market valuations of similar companies or speculation in the press or investment community, announcements by its competitors of significant contracts, acquisitions, dispositions, strategic partnerships, joint ventures or capital commitments, adverse publicity about the industry Videocon d2h operates in or individual scandals, and in response to these events the market price of Videocon d2h's ADSs could decrease significantly.

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Videocon d2h may be classified as a passive foreign investment company, which could result in adverse United States federal income tax consequences to US Holders.

Based on the market prices of Videocon d2h's ADSs and the composition of Videocon d2h's income and assets, including goodwill, although not clear, Videocon d2h does not believe it was a PFIC for United States federal income tax purposes for its taxable year ended March 31, 2014. However, the application of the PFIC rules is subject to uncertainty in several respects and, therefore, the US Internal Revenue Service may assert that, contrary to its belief, it was a PFIC for such taxable year. Moreover, although the asset test (defined below) is required to be calculated based on the fair market value of its assets, it did not do a valuation of its assets and its belief that it was not a PFIC for its taxable year ended March 31, 2014 is, in part, based on the book value of its assets. A non-United States corporation will be considered a passive foreign investment company, or PFIC, for any taxable year if either (1) at least 75% of its gross income for such year is passive income or (2) at least 50% of the total value of its assets (based on an average of the quarterly values of the assets during such year) is attributable to assets, including cash, that produce or are held for the production of passive income, or passive assets. In addition, a separate determination must be made after the close of each taxable year as to whether Videocon d2h was a PFIC for that year. Because the aggregate value of its assets for purposes of the PFIC test will generally be determined by reference to the market price of its ADSs, fluctuations in the market price of the ADSs may cause Videocon d2h to become a PFIC. In addition, changes in the composition of its income or assets may cause it to become a PFIC. Accordingly, Videocon d2h cannot assure you that it will not be a PFIC for the taxable year that will end on March 31, 2015 or any future taxable year. If it was a PFIC for any taxable year during which a US Holder (as defined in "Material U.S. Federal Income Tax Considerations") holds an ADS or an equity share, certain adverse United States federal income tax consequences could apply to the US Holder. A US Holder of shares in a PFIC may mitigate such adverse tax consequences under the PFIC rules by making a "qualified electing fund" election to include in income its share of the corporation's income on a current basis. However, if Videocon d2h is a PFIC, you may make a qualified electing fund election with respect to our ADSs or equity shares only if Videocon d2h agrees to furnish you annually with certain tax information, and it currently does not intend to prepare or provide such information. See "Material U.S. Federal Income Tax Considerations — Ownership of ADSs or Equity Shares — US Holders — Passive Foreign Investment Company."

Holders of the ADSs might not have the same voting rights as the holders of Videocon d2h's equity shares and might not receive voting materials in time to be able to exercise their right to vote.

Except as described in this proxy statement/prospectus and in the deposit agreement, holders of the ADSs will not be able to exercise voting rights attaching to the equity shares evidenced by the ADSs on an individual basis. Under the deposit agreement, holders of ADSs must vote by giving voting instructions to the depository, including instructions to give a discretionary proxy to a person designated by Videocon d2h. Upon receipt of such holder's voting instructions, the depository will vote the underlying equity shares in accordance with these instructions. Holders of ADSs will not be able to directly exercise their right to vote with respect to the underlying equity shares unless they withdraw the equity shares. Holders of ADSs may not receive voting materials in time to instruct the depository to vote, and it is possible that holders of ADSs, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise their right to vote.

The voting rights of holders of ADSs are limited by the terms of the deposit agreement.

A holder of the ADSs may only exercise the voting rights with respect to the underlying equity shares in accordance with the provisions of the deposit agreement. Upon receipt of voting instructions of a holder of ADSs in the manner set forth in the deposit agreement, the depository will endeavor to vote the underlying equity shares in accordance with these instructions. When a general meeting is convened, holders of ADSs may not receive sufficient notice of a shareholders' meeting to permit them to withdraw their equity shares to allow them to cast their votes with respect to any specific matter. In addition, the depository and its agents may not be able to send voting instructions to holders of ADSs or carry out their voting instructions in a timely manner. Videocon d2h will make all reasonable efforts to cause the depository to extend voting rights to holders of ADSs in a timely manner, but Videocon d2h cannot assure such holders that they will receive the voting materials in time to ensure that they can instruct the depository to vote their shares. Furthermore,

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the depositary will not vote on any matter for which voting is conducted on a show of hands basis in accordance with Videocon d2h's Articles of Association and will not have an obligation to demand voting on a poll basis. The depositary and its agents will not be responsible for any failure to carry out any instructions to vote, for the manner in which any vote is cast, or for the effect of any such vote. As a result, holders of ADSs may not be able to exercise their right to vote and may lack recourse if their equity shares are not voted as requested.

A holder of ADSs right to participate in any future rights offerings may be limited, which may cause dilution to such holder's holdings.

Videocon d2h may, from time to time, distribute rights to its shareholders, including rights to acquire Videocon d2h securities. However, Videocon d2h cannot make rights available to holders of ADSs in the United States unless Videocon d2h registers the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. In addition, the deposit agreement provides that the depositary will not make rights available to holders of ADSs unless the distribution to ADS holders of both the rights and any related securities are either registered under the Securities Act or exempted from registration under the Securities Act. Videocon d2h is under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, Videocon d2h may not be able to establish an exemption from registration under the Securities Act. Accordingly, ADS holders may be unable to participate in Videocon d2h's rights offerings and may experience dilution in their holdings. In addition, if the depositary is unable to sell rights that are not exercised or not distributed, or if the sale is not lawful or reasonably practicable, it will allow the rights to lapse, in which case holders of ADSs will receive no value for these rights.

Holders of ADSs may be subject to limitations on transfer of their ADSs.

ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems necessary in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when Videocon d2h's books or the books of the depositary are closed, or at any time if Videocon d2h or the depositary deem it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement.

Holders of ADSs might not receive distributions on Videocon d2h's equity shares, or any value for them at all, if it is unlawful or impracticable for Videocon d2h to make them available to such holders.

The depositary of the ADSs has agreed to pay holders of ADSs the cash dividends or other distributions it or the custodian for the ADSs receives on Videocon d2h's equity shares or other deposited securities after deducting its fees and expenses in accordance with the deposit agreement. Holders of ADSs will receive these distributions in proportion to the number of Videocon d2h equity shares that their ADSs represent. However, the depositary is not responsible if it is unlawful or impracticable to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but such securities are not properly registered or distributed pursuant to an applicable exemption from registration. The depositary is not responsible for making a distribution available to any holders of ADSs if any government approval or registration is required for such distribution. Videocon d2h has no obligation to take any other action to permit the distribution of the ADSs, equity shares, rights or anything else to holders of the ADSs. This means that holders of ADSs might not receive the distributions that Videocon d2h makes on its equity shares or any value for them at all if it is unlawful or impracticable for Videocon d2h to make them available to you.

Risks Related to Silver Eagle and the Transaction

Silver Eagle's founders either directly or beneficially own shares of Silver Eagle common stock and warrants and have obligations and interests in the Transaction that are different from, or in addition to, Silver Eagle stockholders. If the Transaction is not approved, the securities held by the founders will likely become worthless.

The founders have agreed to vote their founder shares, as well as any additional shares purchased during or after Silver Eagle's initial public offering, in favor of the Transaction. Accordingly, it is more likely that the requisite stockholder approval will be received than would be the case if the founders had agreed to vote their founder shares in accordance with the majority of votes cast by Silver Eagle's public stockholders. As of the record date, the founders beneficially own, in the aggregate, approximately 19.3% of the issued and outstanding shares of Silver Eagle common stock.

In light of the amount of consideration paid, the founders will likely significantly benefit from the consummation of the Transaction, even if the Transaction causes the market price of Silver Eagle's securities to significantly decline. Furthermore, the \$7.5 million purchase price of the 15,000,000 private placement warrants will be included in the working capital that is distributed to Silver Eagle's public stockholders in the event of Silver Eagle's dissolution and liquidation if Silver Eagle fails to consummate an initial business combination by July 30, 2015. These factors may influence the founders in promoting the Transaction and/or soliciting proxies for the approval and adoption of the Business Combination Proposal and approval of the Warrant Amendment Proposal. Silver Eagle's common stock and warrants held by the founders had an aggregate market value (without taking into account any discount that may be attributed to such securities due to their restricted nature or any exercise limitations of the private placement warrants) of \$86.375 million based on the closing sale prices of \$9.80 and \$0.45, respectively, on OTCQB on December 30, 2014. The founder shares are subject to lock-up agreements, and the founders have waived any rights to receive any liquidation proceeds that may be distributed upon Silver Eagle's liquidation in respect of the founder shares. Therefore, if the Business Combination Proposal is not approved by Silver Eagle's stockholders, and Silver Eagle is subsequently required to commence proceedings to dissolve and liquidate, the founder shares and private placement warrants held directly or beneficially by the founders will be worthless.

In addition, in considering the recommendation of Silver Eagle's board of directors elsewhere in this proxy statement/prospectus to vote "FOR" the Business Combination Proposal and "FOR" the Warrant Amendment Proposal, you should also be aware that (i) it is currently anticipated that Harry E. Sloan and Jeff Sagansky, each of whom is a current member of Silver Eagle's board of directors, will each be appointed as a director of Videocon d2h following the Transaction and will be compensated for such service in the same manner as the other directors of Videocon d2h, and (ii) if the Business Combination Proposal is not approved and Silver Eagle has not completed an alternative business combination by July 30, 2015, the founder shares and private placement warrants held by the founders will be worthless because they are not entitled to receive any of the funds held in the trust account that may be distributed upon liquidation of Silver Eagle.

In addition, if Silver Eagle dissolves and liquidates prior to the consummation of an initial business combination, Harry E. Sloan and Jeff Sagansky, pursuant to certain written agreements executed in connection with Silver Eagle's initial public offering, will be personally liable for any successful claims made by third parties for services rendered or products sold to Silver Eagle and by potential target businesses who entered into written agreements, such as a letter of intent or confidentiality agreement, with Silver Eagle and who did not waive all of their rights to make claims against the proceeds in the trust account, to the extent such claims reduce the amounts in the trust account to below the lesser of (i) \$10.00 per share and (ii) the actual amount per share held in the trust account as of the date of the liquidation of the trust account, in each case less franchise and income taxes payable.

Silver Eagle's directors will not receive reimbursement for any out-of-pocket expenses incurred by them on Silver Eagle's behalf incident to identifying, investigating and consummating a business combination to the extent such expenses exceed the amount not required to be retained in the trust account, unless a business combination is consummated.

The personal and financial interests of Silver Eagle's directors may have influenced their decision as members of Silver Eagle's board of directors to approve and adopt the Contribution Agreement and the

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warrant agreement amendment. In considering the recommendations of Silver Eagle's board of directors to vote "FOR" the adoption of the Business Combination Proposal and the Warrant Amendment Proposal, you should consider these interests. Additionally, the exercise of the directors' discretion in agreeing to changes or waivers in the terms of the Contribution Agreement prior to the vote by the stockholders or warrant holders, as applicable, may result in a conflict of interest when determining whether such changes or waivers are appropriate and in the stockholders' or warrant holders', as applicable, best interest.

In connection with the stockholder vote to approve the Business Combination Proposal, the Sponsor, Silver Eagle's directors, executive officers, advisors or their affiliates may elect to purchase public shares from Silver Eagle's public stockholders, which may influence the vote on the Business Combination Proposal or public warrants from warrant holders, which may influence the vote on the Warrant Amendment Proposal.

In connection with the stockholder vote to approve the Business Combination Proposal, the Sponsor, Silver Eagle's directors, executive officers, advisors or their affiliates may purchase shares or warrants in privately negotiated transactions or in the open market either prior to or following the completion of the Transaction, although they are under no obligation to do so. Such a share purchase may include a contractual acknowledgement that such stockholder, although still the record holder of Silver Eagle shares, is no longer the beneficial owner thereof and therefore agrees not to exercise its redemption rights. In the event that the Sponsor, Silver Eagle's directors, executive officers, advisors or their affiliates purchase shares in privately negotiated transactions from Silver Eagle's public stockholders who have already elected to exercise their redemption rights, such public stockholders would be required to revoke their prior elections to redeem their shares. The purpose of such purchases could be to vote such shares in favor of the Business Combination Proposal and thereby increase the likelihood of obtaining stockholder approval of the Transaction or to satisfy the closing condition in the Contribution Agreement that requires the Contribution Amount to be at least \$200,850,000, where it appears that such requirement would otherwise not be met. This may result in the completion of the Transaction that may not otherwise have been possible. Similarly, the purchase of warrants could increase the likelihood that the Warrant Amendment Proposal is approved in circumstances in which such approval could not be otherwise obtained.

If a stockholder fails to receive notice of Silver Eagle's offer of redemption in connection with the vote to approve the Business Combination Proposal, such shares may not be redeemed.

Silver Eagle will comply with the proxy rules when conducting redemptions in connection with the stockholder vote to approve the Business Combination Proposal. Despite compliance with these rules, if a stockholder fails to receive the proxy materials, such stockholder may not become aware of the opportunity to redeem his, her or its public shares. In addition, the proxy materials that Silver Eagle is furnishing to holders of its shares in connection with the Transaction describe the various procedures that must be complied with in order to validly redeem the shares. In the event that a stockholder fails to comply with these procedures, such stockholder's shares may not be redeemed.

Silver Eagle's securityholders will not have any rights or interests in funds from the trust account, except under certain limited circumstances. To liquidate their investment, therefore, Silver Eagle's securityholders may be forced to sell their shares or warrants, potentially at a loss.

Silver Eagle's public stockholders will be entitled to receive funds from the trust account only upon the earlier to occur of: (i) Silver Eagle's completion of an initial business combination, and then only in connection with those shares of Silver Eagle's common stock that such stockholder properly elected to redeem, subject to the limitations described herein, and (ii) the redemption of Silver Eagle's public shares if it is unable to complete an initial business combination by April 30, 2015 (or July 30, 2015, as applicable), subject to applicable law and as further described herein. In addition, if Silver Eagle's plan to redeem its shares if it is unable to complete an initial business combination by April 30, 2015 (or July 30, 2015, as applicable) is not completed for any reason, compliance with Delaware law may require that Silver Eagle submit a proposal to dissolve to its then-existing stockholders for approval prior to the distribution of the proceeds held in the trust account. In that case, Silver Eagle's public stockholders may be forced to wait beyond April 30, 2015 (or July 30, 2015, as applicable) before they receive funds from the trust account. In no other circumstances will a Silver Eagle public stockholder have any right or interest of any kind in the

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trust account. Accordingly, to liquidate their investment, Silver Eagle's securityholders may be forced to sell their Silver Eagle shares or warrants, potentially at a loss.

NASDAQ recently delisted Silver Eagle's securities from trading on its exchange, which could limit investors' ability to effect transactions in Silver Eagle's securities and subject it to additional trading restrictions.

Silver Eagle's units, common stock and warrants were delisted from NASDAQ as of December 8, 2014 as a result of Silver Eagle's failure to demonstrate compliance with the NASDAQ listing requirement that listed companies have at least 300 public holders. The delisting of Silver Eagle's securities could have significant material adverse consequences, including:

- a limited availability of market quotations for its securities;
- reduced liquidity for its securities;
- a determination that Silver Eagle's common stock is a "penny stock" which will require brokers trading in such common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for Silver Eagle's securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Because the market price of Videocon d2h ADSs will fluctuate and because there is currently no trading market for the Videocon d2h equity shares and corresponding ADSs, Silver Eagle stockholders cannot be sure of the value of the consideration they will receive when the Transaction is completed, and the value may be less than what respective shareholders originally paid for their shares of Silver Eagle common stock.

If the Transaction is completed, Videocon d2h will receive the Contribution Amount from Silver Eagle in exchange for the issuance of equity shares of Videocon d2h, represented by ADSs. Each holder of one share of Silver Eagle common stock for which the holder did not validly exercise redemption rights will receive one ADS in the Transaction, subject to adjustment in accordance with the Contribution Agreement. The value of Videocon d2h's ADSs may vary significantly from the closing price of Silver Eagle's equity shares on the date the Transaction was announced, on the date the parties entered into the Contribution Agreement, on the date that this proxy statement/prospectus was mailed to Silver Eagle's stockholders and warrant holders or on the date of the special meetings of Silver Eagle's stockholders and warrant holders, or thereafter. No trading market for Videocon d2h's equity shares or the ADS representing the equity shares currently exists and, therefore, Silver Eagle's securityholders cannot be sure of the price at which the ADSs will trade if the Transaction is completed.

Therefore, the value of the Videocon d2h ADSs that Silver Eagle's stockholders receive in the Transaction, either upon or after the completion of the Transaction, may be lower than what Silver Eagle's securityholders originally paid for their corresponding securities of Silver Eagle prior to the Transaction.

The ability of Silver Eagle's stockholders to exercise redemption rights with respect to a large number of Silver Eagle's shares could increase the probability that the Transaction would be unsuccessful and that Silver Eagle's stockholders would have to wait for liquidation in order to redeem their stock.

Since the Contribution Agreement requires the Contribution Amount to be at least \$200,850,000, the probability that the Transaction with Videocon d2h will be unsuccessful is increased if a large number of Silver Eagle's public shares are tendered for redemption. If the Transaction unsuccessful, Silver Eagle's public stockholders will not receive their pro rata portion of the trust account until the trust account is liquidated. If Silver Eagle's public stockholders are in need of immediate liquidity, they could attempt to sell their stock in the open market; however, at such time, Silver Eagle's stock may trade at a discount to the pro rata per share amount in the trust account. In either situation, Silver Eagle's stockholders may suffer a material loss on their investment or lose the benefit of funds expected in connection with the redemption until Silver Eagle is liquidated or Silver Eagle's stockholders are able to sell their stock in the open market.

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If a Silver Eagle stockholder chooses to redeem his, her or its shares, he, she or it may not exercise his, her or its redemption rights to cause the redemption of his, her or its shares of Silver Eagle's common stock for a pro rata portion of the trust account, including any interest earned thereon, less franchise and income taxes payable, until the date that is two business days prior to the date of the special meeting of Silver Eagle's stockholders.

Stockholders holding shares of Silver Eagle's common stock issued in Silver Eagle's initial public offering, whether or not they vote against the Business Combination Proposal, may elect to redeem all or a portion of their shares of common stock upon the completion of the Transaction for cash equal to their pro rata share of the aggregate amount on deposit in the trust account which holds the proceeds of Silver Eagle's initial public offering as of two business days prior to the consummation of the transactions contemplated by the Contribution Agreement, including interest, less franchise and income taxes payable, upon the closing of the Transaction. Any stockholder who seeks to exercise this redemption right must, with respect to the portion of shares he, she or it wishes to redeem, prior to 4:30 p.m. Eastern time on [], 2015 (two business days before the special meeting), (i) submit a written request to our transfer agent that Silver Eagle redeem such public shares for cash, and (ii) deliver their stock to Silver Eagle's transfer agent physically or electronically through Depository Trust Company, or DTC. The address of Continental Stock Transfer & Trust Company, our transfer agent, is listed on page [60](#).

If an individual stockholder or a "group" of stockholders are deemed to hold in excess of 10% of Silver Eagle's common stock, that individual or group will lose the ability to redeem all such shares in excess of 10% of Silver Eagle's common stock.

Silver Eagle's amended and restated certificate of incorporation provides that a public stockholder, together with any affiliate of such stockholder or any other person with whom such stockholder is acting in concert or as a "group" (as defined under Section 13 of the Exchange Act), will be restricted from seeking redemption rights with respect to more than an aggregate of 10% of the public shares (the "Excess Shares"). However, stockholders are not restricted from voting all of their shares (including Excess Shares) for or against the Transaction. The inability to redeem the Excess Shares will reduce the influence of Silver Eagle's stockholders over Silver Eagle's ability to complete the Transaction, and such stockholders could suffer a material loss on their investment in Silver Eagle if they sell their Excess Shares in open market transactions. Additionally, such stockholders will not receive redemption distributions with respect to the Excess Shares if Silver Eagle completes the Transaction. As a result, such stockholders would continue to hold that number of shares exceeding 10% and, in order to dispose of such shares, would be required to sell their stock in open market transactions, potentially at a loss.

Silver Eagle expects to incur significant costs associated with the Transaction, whether or not the Transaction is completed, and if Silver Eagle incurs costs in excess of a specified amount, Videocon d2h may not be obligated to consummate the Transaction.

Whether or not the Transaction is completed, Silver Eagle expects to incur significant costs associated with the Transaction, including due diligence, legal, accounting and other expenses associated with structuring, negotiating and documenting the Transaction. If the parties do not consummate the Transaction, and if time permits Silver Eagle to seek an alternative business combination, then the costs Silver Eagle will have incurred with respect to its proposed business combination with Videocon d2h will reduce the amount of cash otherwise available to complete an alternative business combination. Silver Eagle estimates that it will incur significant transaction costs associated with the Transaction of at least approximately \$50.4. In addition, if the combination of deferred underwriting fees and commissions, Silver Eagle's transaction expenses and payments to warrant holders exceed approximately \$50.4 million, together with redemptions of public shares in excess of 7,387,387 shares, then Silver Eagle may not be able to meet the closing condition contained in the Contribution Agreement that the Contribution Amount is at least \$200,850,000, and Videocon d2h will not be obligated to consummate the Transaction.

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Videocon d2h is required to obtain certain approvals of the MIB in respect of the Transaction and related matters. If it fails to do so, the Transaction cannot take place.

Under the terms of the DTH Guidelines and the DTH License Agreement, Videocon d2h is required to obtain the prior written permission of the MIB for effecting any change in its equity structure and security clearance from the MIB in respect of each of Messrs. Sloan and Sagansky (and the alternate directors for each, if any).

In the event that the MIB does not grant such approval, Videocon d2h will be unable to consummate the Transaction. Further, Videocon d2h is unable to guarantee it will obtain approvals required from the MIB in the future in a timely manner, or at all, or that it will be able to comply with any further conditions imposed by the MIB while granting such permissions.

There are significant limitations on Silver Eagle's right to make damage claims against Videocon d2h for the breach of any representations, warranties or covenants made by Videocon d2h in the Contribution Agreement.

The Contribution Agreement provides that Videocon d2h will indemnify Silver Eagle and its affiliated indemnitees under the Contribution Agreement from and against the entirety of any damages suffered as a result of any breach by Videocon d2h of a representation, warranty or post-closing covenant of Videocon d2h. However, there are significant limitations on Silver Eagle's right to indemnification under the Contribution Agreement, including:

- Silver Eagle will not be entitled to indemnification with respect to the inaccuracy or non-compliance of any representations, warranties, covenants or agreements of Videocon d2h in the Contribution Agreement or any other certificate or document delivered pursuant to the Contribution Agreement if Videocon d2h proves that Silver Eagle obtained actual knowledge of such inaccuracy or non-compliance from Videocon d2h prior to entering into the Contribution Agreement.
- Videocon d2h will have no liability with respect to any claim for breach of a representation or warranty of Videocon d2h unless Silver Eagle notifies Videocon d2h of such a claim on or before the date that is 30 days after the earlier of the date on which Videocon d2h has made publicly available (by inclusion in a Form 6-K filed with the SEC) its audited financial statements (which are audited by a Public Company Accounting Oversight Board registered firm and are prepared under IFRS) for (i) the full fiscal year ending March 31, 2016 or (ii) the six-month period ended September 30, 2015, if either Harry E. Sloan or Jeff Sagansky or an alternate director or nominee director appointed on their behalf by them, served on the audit committee of the Board of Directors of Videocon d2h which approved such financial statements and such financial statements include all of the information and notes required for annual financial statements under IFRS.
- Other than with respect to damages relating to any intentional or fraudulent breach of a representation or warranty by Videocon d2h, Videocon d2h will have no liability with respect to any claim for breach of a representation or warranty of Videocon d2h until Silver Eagle and its affiliated indemnitees have suffered aggregate damages by reason of all such breaches in excess of an amount equal to 2.0% of the Contribution Amount (the "Basket"), after which point Videocon d2h will be obligated to indemnify Silver Eagle and its affiliated indemnitees from and against damages which exceed the Basket.
- Other than with respect to damages relating to any intentional or fraudulent breach of a representation or warranty by Videocon d2h, the aggregate maximum liability of Videocon d2h with respect to any claim for breach of a representation or warranty of Videocon d2h will be an amount equal to 12.5% of the Contribution Amount.
- Videocon d2h will not be liable to indemnify Silver Eagle or any of its affiliated indemnitees from or against any damages arising out of, relating to, or caused by the realization of any contingent liabilities expressly disclosed as such in the audited balance sheets, statements of income, shareholders' equity and cash flows of Videocon d2h as of and for the fiscal years ended March 31, 2013 and March 31, 2014 or the legal proceedings set forth in this proxy statement/prospectus.

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As a “foreign private issuer” under the rules and regulations of the SEC, Videocon d2h is exempt from a number of rules under the Exchange Act and may be permitted to file less or different information with the SEC than a company incorporated in the United States or otherwise subject to these rules.

Videocon d2h is considered a “foreign private issuer” under the Exchange Act and is therefore exempt from certain rules under the Exchange Act, including the proxy rules, which impose certain disclosure and procedural requirements for proxy solicitations for U.S. and other issuers. Moreover, Videocon d2h is not required to file periodic reports and financial statements with the SEC as frequently or within the same time frames as U.S. companies with securities registered under the Exchange Act. Videocon d2h currently prepares its financial statements in accordance with IFRS. Videocon d2h will not be required to file financial statements prepared in accordance with or reconciled to U.S. GAAP so long as its financial statements are prepared in accordance with IFRS as issued by the International Accounting Standards Board, which do not differ from IFRS as adopted by the European Union. Videocon d2h is not required to comply with Regulation FD, which imposes restrictions on the selective disclosure of material information to shareholders. In addition, Videocon d2h’s officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of Videocon d2h shares. Accordingly, after the Transaction, if you continue to hold Videocon d2h ADSs, you may receive less or different information about Videocon d2h than you currently receive about Silver Eagle.

Videocon d2h could lose its status as a “foreign private issuer” under current SEC rules and regulations if more than 50% of Videocon d2h’s outstanding voting securities become directly or indirectly held of record by U.S. holders and one of the following is true: (i) the majority of Videocon d2h’s directors or executive officers are U.S. citizens or residents; (ii) more than 50% of Videocon d2h’s assets are located in the United States; or (iii) Videocon d2h’s business is administered principally in the United States. If Videocon d2h loses its status as a foreign private issuer in the future, it will no longer be exempt from the rules described above and, among other things, will be required to file periodic reports and annual and quarterly financial statements as if it were a company incorporated in the United States. If this were to happen, Videocon d2h would likely incur substantial costs in fulfilling these additional regulatory requirements and members of Videocon d2h’s management would likely have to divert time and resources from other responsibilities to ensuring these additional regulatory requirements are fulfilled.

Videocon d2h has not previously operated as a foreign private issuer in the United States, and fulfilling its obligations as a foreign private issuer after the Transaction may be expensive and time consuming.

Videocon d2h has not previously been required to prepare or file periodic and other reports with the SEC or to comply with the other requirements of U.S. federal securities laws applicable to public companies, such as Section 404 of the Sarbanes-Oxley Act of 2002. Although Videocon d2h currently maintains separate legal and compliance and internal audit functions, Videocon d2h has not previously been required to establish and maintain disclosure controls and procedures and internal controls over financial reporting as will be required with respect to a public company with substantial operations and shares registered in the United States.

Under the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC, as well as the rules of NASDAQ, where Videocon d2h intends to apply for listing of the Videocon d2h ADSs, Videocon d2h may be required to implement additional corporate governance practices and adhere to a variety of reporting requirements and accounting rules. However, as a “foreign private issuer,” Videocon d2h may be exempt from some corporate governance practices, reporting requirements and accounting rules under the rules of NASDAQ and under the Sarbanes-Oxley Act of 2002. For example, Videocon d2h is permitted to follow its home country corporate governance practices in lieu of NASDAQ rules with some exceptions so long as it discloses the ways in which its corporate governance practices differ from those followed by U.S. issuers under NASDAQ listing standards. As an additional example, the Sarbanes-Oxley Act of 2002 gives foreign private issuers certain exemptions from the requirement that each member of the foreign private issuer’s audit committee be “independent.”

Under the Sarbanes-Oxley Act of 2002, an audit committee member generally may not receive, directly or indirectly, any compensation from the issuer except for service as a director, and may not be an affiliate of the issuer. For foreign private issuers, an exemption is available from those requirements for an employee of

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the issuer, other than an executive officer, who is elected or named to the audit committee pursuant to the issuer's governing law or documents, an employee collective bargaining or similar agreement or other home country legal or listing requirements. Exemptions from the limitation on affiliates are available for a member of the audit committee who is a representative or designee of a foreign government or foreign governmental entity that is an affiliate of the issuer, provided the member is not an executive officer of the issuer, and a member who is an affiliate of the issuer or a representative of an affiliate who has only observer status on, and is not a voting member or the chair of, the audit committee; provided neither the member nor the affiliate is an executive officer of the issuer. Videocon d2h is not, however, relying on any exemption from the independence standards for any of its audit committee members.

Compliance with obligations from which foreign private issuers are not exempt may require members of Videocon d2h's management and its finance and accounting staff to divert time and resources from other responsibilities to ensuring these additional regulatory requirements are fulfilled and may increase Videocon d2h's legal, insurance and financial compliance costs.

There is no guarantee that, once listed, the ADSs will continue to qualify for listing on the exchange for any period of time, and the failure to have the ADSs listed for either reason may negatively affect the value of Videocon d2h's ADSs.

Videocon d2h intends to seek to have its ADSs approved for listing on NASDAQ prior to consummation of the Transaction so that as soon as practicable following the closing of the Transaction, the ADSs can begin trading, and it is a mutual condition to closing of the Transaction that the ADSs be admitted to trading only subject to official notice of the issuance of the ADSs. There are no guarantees that, once listed, the Videocon d2h ADSs will continue to qualify for listing on the exchange, and the Videocon d2h ADSs may become subject to trading and other restrictions imposed by the exchange for failure to meet certain listing standards or the ADSs may be delisted by the exchange. If the Videocon d2h ADSs are ever in the future delisted, the holders could face significant consequences, including:

- a limited availability for market quotations for Videocon d2h's securities;
- reduced liquidity with respect to Videocon d2h's securities;
- a determination that Videocon d2h's ADSs are a "penny stock," which will require brokers trading in Videocon d2h's ADSs to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for Videocon d2h's ADSs;
- limited amount of news and analyst coverage for Videocon d2h in the United States; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Shareholders may decide to sell Silver Eagle's common stock and Videocon d2h's ADSs, which could cause a decline in their market prices.

Some holders of Silver Eagle's common stock may be disinclined to own shares of a company that is not a U.S. company. This or other factors could result in the sale of shares of Silver Eagle's common stock prior to the parties consummating the Transaction (in addition to exercises by Silver Eagle's stockholders of their redemption rights) or the sale of Videocon d2h's ADSs after completion of the Transaction. In addition, the market price of Silver Eagle's common stock and Videocon d2h's ADSs may be adversely affected by arbitrage activities occurring prior to completion of the Transaction. These sales, or the prospects of such sales in the future, could adversely affect the market price for, and the ability to sell in the market, shares of Silver Eagle's common stock before the Transaction is completed, and Videocon d2h's ADSs after the completion of the Transaction.

Videocon d2h may fail to realize all of the anticipated benefits of the Transaction.

The success of the Transaction will depend, in part, on Videocon d2h's ability to realize the anticipated benefits from the availability of the cash currently in Silver Eagle's trust account to Videocon d2h following the completion of the Transaction. To realize these anticipated benefits, Videocon d2h must successfully manage and apply Silver Eagle's cash, including for the purposes set forth in "Use of Proceeds."

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Subsequent to the completion of the Transaction, Videocon d2h may be required to subsequently take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on its financial condition, results of operations and share price, which could cause you to lose some or all of your investment.

Even if Silver Eagle conducts extensive due diligence on Videocon d2h, this diligence may not expose all material issues that may be present inside Videocon d2h, that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside of Videocon d2h's and Silver Eagle's control will not later arise. As a result of these factors, Videocon d2h may be forced to later write-down or write-off assets, restructure its operations, or incur impairment or other charges that could result in reporting losses. Even if due diligence successfully identifies certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with the preliminary risk analysis. Even though these charges may be non-cash items and not have an immediate impact on Videocon d2h's liquidity, the fact that charges of this nature are reported could contribute to negative market perceptions about Videocon d2h or its securities. In addition, charges of this nature may cause Videocon d2h to violate net worth or other covenants to which it may be subject as a result of assuming pre-existing debt held by a target business or by virtue of its obtaining post-combination debt financing. Accordingly, any stockholders who choose to remain stockholders following the Transaction could suffer a reduction in the value of their shares. Such stockholders are unlikely to have a remedy for such reduction in value unless they are able to successfully claim that the reduction was due to the breach by our officers or directors of a duty of care or other fiduciary duty owed to them, or if they are able to successfully bring a private claim under securities laws that the tender offer materials or proxy statement relating to the Transaction contained an actionable material misstatement or material omission.

Public stockholders or warrant holders at the time of the Transaction who purchased their Silver Eagle units in Silver Eagle's initial public offering and do not exercise their redemption rights may pursue rescission rights and related claims.

Silver Eagle's public stockholders or warrant holders may allege that some aspects of the Transaction are inconsistent with the disclosure contained in the prospectus issued by Silver Eagle in connection with the offer and sale in its initial public offering of units consisting of common stock and warrants. These may include: (i) the structure of the proposed business combination with Videocon d2h (including that Silver Eagle itself is not acquiring voting securities of Videocon d2h) and (ii) that the Silver Eagle warrant agreement would be amended so that the warrants will be exchanged for cash in the amount of \$1.00 at the time the Transaction is consummated. Consequently, a Silver Eagle stockholder or warrant holder who purchased units in the initial public offering (excluding the founders) and still holds them at the time of the Transaction and who does not seek to exercise redemption rights might seek rescission of the purchase of the units such holder acquired in the initial public offering. A successful claimant for damages under federal or state law could be awarded an amount to compensate for the decrease in the value of such holder's shares caused by the alleged violation (including, possibly, punitive damages), together with interest, while retaining the shares. If stockholders or warrant holders bring successful rescission claims against Silver Eagle, it may not have sufficient funds following the consummation of the Transaction to pay such claims, or if claims are successfully brought against Videocon d2h following the consummation of the Transaction, Videocon d2h's results of operations could be adversely affected and, in any event, Videocon d2h may be required in connection with the defense of such claims to incur expenses and divert employee attention from other business matters.

If Videocon d2h or third parties bring claims against Silver Eagle, the proceeds held in the trust account could be reduced and the per-share redemption amount received by stockholders may be less than \$9.99 per share.

Silver Eagle's placing of funds in the trust account may not protect those funds from third party claims against it. Although Videocon d2h has agreed and Silver Eagle will seek to have all vendors, service providers, prospective target businesses or other entities with which it does business agree to waive any right, title, interest or claim of any kind in or to any monies held in the trust account for the benefit of Silver Eagle's public stockholders, such parties may not execute such agreements, or, even if they execute such agreements, may not be prevented from bringing claims against the trust account, including, but not limited to,

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fraudulent inducement, breach of fiduciary responsibility or other similar claims, as well as claims challenging the enforceability of the waiver, in each case in order to gain advantage with respect to a claim against Silver Eagle's assets, including the funds held in the trust account. If any third party refuses to execute an agreement waiving such claims to the monies held in the trust account, Silver Eagle's management will perform an analysis of the alternatives available to it and will only enter into an agreement with a third party that has not executed a waiver if Silver Eagle's management believes that such third party's engagement would be significantly more beneficial to Silver Eagle than any other alternative.

Examples of possible instances where Silver Eagle may engage a third party that refuses to execute a waiver include the engagement of a third party consultant whose particular expertise or skills are believed by Silver Eagle's management to be significantly superior to those of other consultants that would agree to execute a waiver or in cases where Silver Eagle's management is unable to find a service provider willing to execute a waiver. In addition, there is no guarantee that such entities will agree to waive any claims that they may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with Silver Eagle and will not seek recourse against the trust account for any reason. Upon redemption of its shares, if Silver Eagle is unable to complete the Transaction with Videocon d2h within the prescribed timeframe, or upon the exercise of a redemption right in connection with the Transaction, Silver Eagle will be required to provide for payment of claims of creditors that were not waived that may be brought against Silver Eagle within the 10 years following redemption. Accordingly, the per-share redemption amount received by public stockholders could be less than the \$9.99 per share currently held in the trust account, due to claims of such creditors. Messrs. Sloan and Sagansky have agreed that they will be jointly and severally liable to Silver Eagle if and to the extent any claims by a vendor for services rendered or products sold to Silver Eagle, or a prospective target business with which Silver Eagle has discussed entering into a transaction agreement, reduce the amounts in the trust account to below the lesser of (i) \$10.00 per share and (ii) the actual amount per share held in the trust account as of the date of the liquidation of the trust account, in each case less franchise and income taxes payable, except as to any claims by a third party who executed a waiver of any and all rights to seek access to the trust account and except as to any claims under Silver Eagle's indemnity of the underwriters of the initial public offering against certain liabilities, including liabilities under the Securities Act. Moreover, in the event that an executed waiver is deemed to be unenforceable against a third party, Messrs. Sloan and Sagansky will not be responsible to the extent of any liability for such third party claims. However, Silver Eagle has not asked Messrs. Sloan and Sagansky to reserve for such indemnification obligations, and Silver Eagle cannot assure you that Messrs. Sloan and Sagansky would be able to satisfy those obligations. None of Silver Eagle's other officers or directors will indemnify Silver Eagle for claims by third parties including, without limitation, claims by vendors and prospective target businesses.

If, after Silver Eagle distributes the proceeds in the trust account to its public stockholders, it files a bankruptcy petition or an involuntary bankruptcy petition is filed against it that is not dismissed, a bankruptcy court may seek to recover such proceeds, and the members of Silver Eagle's board of directors may be viewed as having breached their fiduciary duties to Silver Eagle's creditors, thereby exposing the members of the board of directors and Silver Eagle to claims of punitive damages.

If, after the proceeds in the trust account are distributed to Silver Eagle's public stockholders, it files a bankruptcy petition or an involuntary bankruptcy petition is filed against it that is not dismissed, any distributions received by Silver Eagle's stockholders could be viewed under applicable debtor/creditor and/or bankruptcy laws as either a "preferential transfer" or a "fraudulent conveyance." As a result, a bankruptcy court could seek to recover all amounts received by Silver Eagle's stockholders. In addition, Silver Eagle's board of directors may be viewed as having breached its fiduciary duty to Silver Eagle's creditors and/or having acted in bad faith, thereby exposing itself and Silver Eagle to claims of punitive damages, by paying public stockholders from the trust account prior to addressing the claims of creditors.

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If, before distributing the proceeds in the trust account to its public stockholders, Silver Eagle files a bankruptcy petition or an involuntary bankruptcy petition is filed against Silver Eagle that is not dismissed, the claims of creditors in such proceeding may have priority over the claims of Silver Eagle's stockholders and the per-share amount that would otherwise be received by Silver Eagle's stockholders in connection with its liquidation may be reduced.

If, before distributing the proceeds in the trust account to its public stockholders, Silver Eagle files a bankruptcy petition or an involuntary bankruptcy petition is filed against it that is not dismissed, the proceeds held in the trust account could be subject to applicable bankruptcy law, and may be included in Silver Eagle's bankruptcy estate and subject to the claims of third parties with priority over the claims of Silver Eagle's stockholders. To the extent any bankruptcy claims deplete the trust account, the per-share amount that would otherwise be received by Silver Eagle's stockholders in connection with its liquidation may be reduced.

SELECTED HISTORICAL FINANCIAL INFORMATION OF SILVER EAGLE

The following table sets forth selected historical financial information derived from Silver Eagle’s audited financial statements included elsewhere in this proxy statement/prospectus as of September 30, 2014 and for the nine-month period ended September 30, 2014 and as of December 31, 2013 and for the period April 11, 2013 (inception) through December 31, 2013. You should read the following selected financial data in conjunction with “*Silver Eagle Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and the financial statements and the related notes appearing elsewhere in this proxy statement/prospectus.

	Nine Months Ended September 30, 2014	April 11, 2013 (date of inception) to December 31, 2013
	<u> </u>	<u> </u>
Statement of Operations Data:		
Operating expenses:		
Formation and operating costs	\$ 1,211,141	\$ (497,885)
Accrued state franchise taxes, other than income taxes	71,137	(75,000)
	<u> </u>	<u> </u>
Loss from operations before other income and income tax expense	\$ (1,211,141)	\$ 572,885
Other income (expense):		
Interest income	24,308	13,723
Loss before income tax expense	(1,186,833)	(559,162)
Income tax expense	—	—
	<u> </u>	<u> </u>
Net loss	\$ (1,186,833)	\$ (559,162)
	<u> </u>	<u> </u>
Loss per common share:		
Basic and diluted	\$ (0.04)	\$ (0.06)
	<u> </u>	<u> </u>
Weighted average shares outstanding:		
Basic and diluted	9,860,857	9,068,549
	<u> </u>	<u> </u>
Balance Sheet Data:		
Cash and cash equivalents	\$ 19,997	\$ 805,924
Investments and cash equivalents held in trust	\$324,849,061	\$ 325,013,723
Total assets	\$324,869,058	\$ 325,819,647
Common stock subject to possible redemption (at \$10.00): 30,843,261 shares at September 30, 2014 and December 31, 2013	\$307,245,783	\$ 308,432,610
Total stockholders’ equity (net)	\$ 5,000,007	\$ 5,000,007
Cash Flow Data:		
Net cash used in operating activities	\$ (950,589)	\$ (405,052)
Net cash used in investing activities	\$ 164,663	\$(325,013,723)
Net cash provided by financing activities	\$ —	\$ 326,224,699

SELECTED HISTORICAL FINANCIAL INFORMATION OF VIDEOCON D2H

The following table sets forth selected historical financial information derived from Videocon d2h's audited financial statements (restated) included elsewhere in this proxy statement/prospectus as of March 31, 2014 and 2013 and for the years ended March 31, 2014 and 2013. Historical results are not necessarily indicative of results to be expected in any future period. You should read the following selected financial information in conjunction with the section entitled "*Videocon d2h Operating and Financial Review and Prospects*" and Videocon d2h's financial statements (restated) and the related notes appearing elsewhere in this proxy statement/prospectus.

(Rs. in millions)	(restated) Year Ended March 31,		(restated) Six - month period ended September 30,
	2014	2013	2014
Income Statement Information:			
Revenue from operations	Rs. 17,644.10	Rs. 11,295.47	Rs. 11,108.97
Total Expenses	17,935.50	13,647.94	10,710.11
Profit/(Loss) from operations	(291.40)	(2,352.47)	398.86
Profit/(Loss) before tax	(4,625.16)	(5,095.39)	(1,695.22)
Profit/(Loss) after tax	(3,195.48)	(3,524.33)	(1,171.24)
Basic and Diluted earnings per share	(13.20)	(16.59)	(4.84)
Statement of Financial Position Information (at period end):			
Total non-current assets	32,740.81	27,379.58	34,488.37
Total current assets	2,974.88	8,786.54	2,586.44
Total Assets	35,715.69	36,166.12	37,074.81
Total Equity	(6,314.06)	(3,118.58)	(7,485.30)
Total non-current liabilities	2,717.05	2,419.19	2,898.06
Total current liabilities	39,312.70	36,865.51	41,662.05
Total Liabilities	42,029.75	39,284.70	44,560.11
Total equity and liabilities	35,715.69	36,166.12	37,074.81

EXCHANGE RATES

The following tables show, for the periods indicated, information concerning the exchange rate between the U.S. dollar and the rupee. This information is provided solely for your convenience, and Videocon d2h and Silver Eagle do not represent that rupees have been converted into U.S. dollars at these rates or at any other rate. These rates may differ from the rates used by Videocon d2h in the preparation of its consolidated financial statements or other financial information appearing in this proxy statement/prospectus.

The data provided in the following tables are expressed in Indian Rupees per US Dollar and are based on the noon buying rate in The City of New York for cable transfers of Indian Rupees as certified for customs purposes by the Federal Reserve Bank of New York.

On December 30, 2014, the last trading day before Videocon d2h and Silver Eagle announced the execution of the Contribution Agreement, the exchange rate between the U.S. dollar and the rupee expressed in Indian Rupees per US Dollar was \$1 = Rs.63.38. On January 05, 2015, the day of the public disclosure of the Transaction, the exchange rate between the U.S. dollar and the rupee expressed in Indian Rupees per US Dollar was \$1 = Rs.63.34. On March 2, 2015, the most recent practicable day prior to the date of this proxy statement/prospectus, the exchange rate was \$1 = Rs.61.868. (Source: Bloomberg)

	<u>High</u>	<u>Low</u>	<u>Average⁽¹⁾</u>	<u>Period End</u>
	(Indian Rupees per US Dollar)			
Annual Data (Year Ended March 31)				
2009	51.96	39.73	45.84	50.87
2010	50.48	44.94	47.39	44.95
2011	47.49	43.90	45.49	44.54
2012	53.71	44.00	47.81	50.89
2013	57.13	50.64	54.36	54.52
2014	68.80	53.65	60.35	60.00
	<u>High</u>	<u>Low</u>	<u>Average⁽¹⁾</u>	<u>Period End</u>
	(Indian Rupees per US Dollar)			
Interim Data (Six Months Ended September 30, 2014)	61.92	58.30	60.21	61.92

(1) The average rates for the interim and annual periods were calculated by taking the simple average of the exchange rates on the last business day of each month during the relevant period.

	<u>High</u>	<u>Low</u>
	(Indian Rupees per US Dollar)	
Recent Monthly Data		
April 2014	61.17	59.86
May 2014	60.21	58.30
June 2014	60.32	59.15
July 2014	60.55	59.69
August 2014	61.51	60.43
September 2014	61.92	60.26
October 2014	61.81	60.92
November 2014	62.20	61.38
December 2014	63.67	61.78
January 2015	63.57	61.32
February 2015	62.43	61.68

COMPARATIVE SHARE INFORMATION

The following table sets forth historical comparative share information for Videocon d2h and unaudited pro forma share information after giving effect to the Transaction, assuming (i) under the minimum scenario that no holders of public shares exercise their redemption rights and (ii) under the maximum scenario that holders of 22.70% of the public shares exercise their redemption rights. The historical information should be read in conjunction with “*Selected Historical Financial Information of Videocon d2h*” included elsewhere in this proxy statement and the historical financial statements of Videocon d2h included elsewhere in this proxy statement. The unaudited pro forma share information is derived from, and should be read in conjunction with, the unaudited pro forma financial information and related notes included elsewhere in this proxy statement.

The unaudited pro forma combined share information does not purport to represent what the actual results of operations of Videocon d2h would have been had the Transaction been completed or to project Videocon d2h’s results of operations that may be achieved after the Transaction. The unaudited pro forma book value per share information below does not purport to represent what the value of Videocon d2h would have been had the Transaction been completed nor the book value per share for any future date or period.

	<u>Historical</u>	<u>Pro forma (minimum)</u>	<u>Pro forma (maximum)</u>
As of and for the six months ended September 30, 2014			
Book value (deficit) per share (Rs.) ^(a)	(30.93)	23.82	13.46
Shares outstanding (in millions) ^(b)	242	393	363
Basic and diluted earnings (loss attributable to common stock) per share (Rs.) for the six months ended September 30, 2014	(4.84)	(4.48)	(4.84)
Basic and diluted earnings (loss attributable to common stock) per share (Rs.) for the year ended March 31, 2014	(13.20)	(11.13)	(12.03)

(a) Book value per share is calculated using the following formula: Book value per share = (Total Shareholders’ Equity excluding Preferred Equity)/Total Outstanding Shares)

(b) Pro forma shares include ADSs at a 4:1 equity share to ADS ratio for both the minimum and maximum redemption scenarios.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Videocon d2h and Silver Eagle make forward-looking statements in this proxy statement/prospectus. These forward-looking statements relate to expectations for future financial performance, business strategies or expectations for their respective businesses, and the timing and ability to complete the Transaction. Specifically, forward-looking statements may include statements relating to:

- the benefits of the Transaction;
- the future financial performance of Videocon d2h following the Transaction;
- changes in the market for Videocon d2h products;
- expansion plans and opportunities; and
- other statements preceded by, followed by or that include the words “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “target” or similar expressions.

These forward-looking statements are based on information available to Videocon d2h or Silver Eagle, as applicable, as of the date of this proxy statement/prospectus, and current expectations, forecasts and assumptions, and involve a number of risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing the views of Videocon d2h or Silver Eagle as of any subsequent date, and neither Videocon d2h nor Silver Eagle undertakes any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

You should not place undue reliance on these forward-looking statements in deciding how to grant your proxy or instruct how your vote should be cast or vote your shares on the proposals set forth in this proxy statement/prospectus. As a result of a number of known and unknown risks and uncertainties, actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Some factors that could cause actual results to differ include:

- the occurrence of any event, change or other circumstances that could give rise to the termination of the Contribution Agreement;
- the outcome of any legal proceedings that may be instituted against Videocon d2h or Silver Eagle following announcement of the proposed Transaction and related transactions contemplated thereby;
- the inability to complete the Transaction due to the failure to obtain approval of the stockholders of Silver Eagle, the prior approval of the MIB, or other conditions to closing in the Contribution Agreement;
- the ability to obtain or maintain the listing of Videocon d2h’s ADSs on NASDAQ following the Transaction;
- the risk that the proposed Transaction disrupts current plans and operations of Videocon d2h as a result of the announcement and consummation of the Transaction;
- the ability to recognize the anticipated benefits of the Transaction, which may be affected by, among other things, competition and the ability of Videocon d2h to grow and manage growth profitably;
- costs related to the Transaction;
- changes in applicable laws or regulations;
- the possibility that Videocon d2h or Silver Eagle may be adversely affected by other economic, business, and/or competitive factors; and
- other risks and uncertainties indicated in this proxy statement/prospectus, including those under “Risk Factors.”

**SPECIAL MEETING OF SILVER EAGLE STOCKHOLDERS AND
SPECIAL MEETING OF SILVER EAGLE PUBLIC WARRANTHOLDERS**

General

Silver Eagle is furnishing this proxy statement/prospectus to its stockholders and public warrantholders as part of the solicitation of proxies by its board of directors for use at the special meeting of stockholders and special meeting of public warrantholders to be held on [], 2015, and at any adjournment or postponement thereof. This proxy statement/prospectus is first being furnished to Silver Eagle stockholders and public warrantholders on or about [], 2015. This proxy statement/prospectus provides you with information you need to know to be able to vote or instruct your vote to be cast at the special meeting of stockholders or public warrantholders, as applicable.

Date, Time and Place of Special Meetings

The special meeting of stockholders of Silver Eagle will be held at [] [a.m.][p.m.] Eastern time, on [], 2015, at the offices of McDermott Will & Emery LLP, 340 Madison Avenue, New York, New York, or such other date, time and place to which such meeting may be adjourned or postponed, to consider and vote upon the proposals.

The special meeting of public warrantholders of Silver Eagle will be held at [] [a.m.][p.m.] Eastern time, on [], 2015, at the offices of McDermott Will & Emery LLP, 340 Madison Avenue, New York, New York, or such other date, time and place to which such meeting may be adjourned or postponed, to consider and vote upon the proposals.

Voting Power; Record Date

You will be entitled to vote or direct votes to be cast at the special meeting of stockholders or warrantholders if you owned shares of Silver Eagle common stock or warrants, respectively, at the close of business on March 2, 2015, which is the record date for the special meetings of stockholders and public warrantholders. With respect to the special meeting of stockholders, you are entitled to one vote for each share of Silver Eagle common stock that you owned as of the close of business on the record date, and with respect to the special meeting of warrantholders, you are entitled to one vote for each warrant that you owned as of the close of business on the record date. If your shares or warrants are held in "street name" or are in a margin or similar account, you should contact your broker, bank or other nominee to ensure that votes related to the shares you beneficially own are properly counted. On the record date, there were (i) 40,625,000 shares of Silver Eagle common stock outstanding, consisting of 32,500,000 public shares and 8,125,000 founder shares, and (ii) 47,500,000 warrants of Silver Eagle outstanding, consisting of 32,500,000 public warrants and 15,000,000 private placement warrants.

Vote of Silver Eagle Founders

In connection with Silver Eagle's initial public offering, Silver Eagle and the underwriters of the initial public offering entered into agreements with each of Silver Eagle's founders pursuant to which the founders agreed to vote their founder shares and any other shares acquired during and after Silver Eagle's initial public offering in favor of the Business Combination Proposal.

Pursuant to the terms of the warrant agreement, holders of the private placement warrants (the Sponsor and Dennis A. Miller) are not permitted to vote the private placement warrants in favor of the Warrant Amendment Proposal unless the registered holders of 65% of the public warrants vote in favor of the Warrant Amendment Proposal. None of the founders own any public warrants. As a result, in order for the Warrant Amendment Proposal to be approved, 21,125,000 public warrants must be voted in favor of the Warrant Amendment Proposal.

The founders have waived any redemption rights, including with respect to shares of common stock purchased in Silver Eagle's initial public offering or in the aftermarket, in connection with Transaction. The founder shares held by the founders have no redemption rights upon Silver Eagle's liquidation and will be worthless if no business combination is effected by Silver Eagle prior to by April 30, 2015 (or July 30, 2015 if it has entered into a letter of intent, agreement in principle or definitive agreement for an initial business

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combination by April 30, 2015 but has not completed the initial business combination by that date). However, the founders are entitled to redemption rights upon Silver Eagle's liquidation with respect to any public shares they may own.

Quorum and Required Vote for Proposals for the Special Meeting of Stockholders

A quorum of Silver Eagle stockholders is necessary to hold a valid meeting. A quorum will be present at the special meeting of stockholders if a majority of the Silver Eagle common stock outstanding and entitled to vote at the special meeting of stockholders is represented in person or by proxy. Abstentions will count as present for the purposes of establishing a quorum.

The approval of the Business Combination Proposal and the Plan of Dissolution Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Silver Eagle common stock. Accordingly, a stockholder's failure to vote by proxy or to vote in person at the special meeting of stockholders, an abstention from voting or a broker non-vote will have the same effect as a vote "AGAINST" the Business Combination Proposal and the Plan of Dissolution Proposal, respectively.

The approval of the Adjournment Proposal requires the affirmative vote of the holders of a majority of the votes cast thereon at the special meeting. Accordingly, abstentions will have the same effect as a vote "AGAINST" the Adjournment Proposal, while a broker non-vote and shares not in attendance at the special meeting will have no effect on the outcome of any vote on the Adjournment Proposal.

The Business Combination Proposal is conditioned on the Plan of Dissolution Proposal. The Plan of Dissolution Proposal and the Warrant Amendment Proposal are each conditioned on the Business Combination Proposal. If the Business Combination Proposal is not approved, the Plan of Dissolution Proposal and the Warrant Amendment Proposal will have no effect, even if those proposals are approved by the requisite vote.

Recommendation to Silver Eagle Stockholders

Silver Eagle's board of directors believes that each of the Business Combination Proposal, the Plan of Dissolution Proposal and the Adjournment Proposal to be presented at the special meeting of stockholders is in the best interests of Silver Eagle and its stockholders and unanimously recommends that its stockholders vote "FOR" each of the proposals.

When you consider the recommendation of Silver Eagle's board of directors in favor of approval of the Business Combination Proposal, you should keep in mind that its directors and officers have interests in the Transaction that are different from, or in addition to, your interests as a stockholder. These interests include, among other things:

- the right of the Sponsor to receive Videocon d2h ADSs in connection with and following the Transaction, subject to the lock-up agreements;
- the appointment of two of Silver Eagle's executive officers as directors (but not officers) of Videocon d2h; and
- the continued indemnification of current directors and officers of Silver Eagle and the continuation of directors' and officers' liability insurance after the Transaction.

Required Vote for Proposals for the Special Meeting of Public Warrantheolders

The approval of the Warrant Amendment Proposal requires approval by public warrantheolders holding 65% of the outstanding public warrants. Accordingly, a warrantheolder's failure to vote by proxy or to vote in person at the special meeting of public warrantheolders, an abstention from voting, or a broker non-vote will have the same effect as a vote "AGAINST" the Warrant Amendment Proposal.

The approval of the Warrantheolder Adjournment Proposal requires the affirmative vote of the holders of a majority of Silver Eagle's public warrants represented in person or by proxy and entitled to vote thereon at the special meeting of public warrantheolders. Accordingly, abstentions will have the same effect as a vote "AGAINST" the Warrantheolder Adjournment Proposal, while a broker non-vote and warrants not in attendance at the special meeting of public warrantheolders will have no effect on the outcome of any vote on the Warrantheolder Adjournment Proposal.

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No vote of the holders of any shares of Silver Eagle common stock is necessary to approve the Warrant Amendment Proposal, and Silver Eagle is not asking its stockholders to vote on the Warrant Amendment Proposal or any other proposal being considered at the special meeting of public warrant holders.

Recommendation to Silver Eagle Warrant holders

Silver Eagle's board of directors believes that each of the Warrant Amendment Proposal and the Warrant holder Adjournment Proposal to be presented at the special meeting of public warrant holders is in the best interests of Silver Eagle and its warrant holders and unanimously recommends that its warrant holders vote "FOR" each of the proposals.

Broker Non-Votes and Abstentions

Under the rules of various national and regional securities exchanges your broker, bank or nominee cannot vote your shares or warrants with respect to non-discretionary matters unless you provide instructions on how to vote in accordance with the information and procedures provided to you by your broker, bank or nominee. Silver Eagle believes the proposals presented to its stockholders and public warrant holders will be considered non-discretionary and therefore your broker, bank or nominee cannot vote your shares or warrants without your instruction. If you do not provide instructions with your proxy, your bank, broker or other nominee may deliver a proxy card expressly indicating that it is NOT voting your shares or warrants; this indication that a bank, broker or nominee is not voting your shares or warrants is referred to as a "broker non-vote."

With respect to the special meeting of stockholders, abstentions are considered present for the purposes of establishing a quorum but will have the same effect as a vote "AGAINST" the Business Combination Proposal and the Plan of Dissolution Proposal, but will have no effect on the Adjournment Proposal. Broker non-votes will have the effect of a vote "AGAINST" the Business Combination Proposal and the Plan of Dissolution Proposal but will have no effect on the Adjournment Proposal.

With respect to the special meeting of public warrant holders, abstentions will have the same effect as a vote "AGAINST" the Warrant Amendment Proposal and the Adjournment Proposal. Broker non-votes will have the effect of a vote "AGAINST" the Warrant Amendment Proposal and will have no effect on the Warrant holder Adjournment Proposal.

Voting Your Shares or Warrants

Each share of Silver Eagle common stock that you own in your name entitles you to one vote on each of the proposals for the special meeting of stockholders. Each public warrant that you own in your name entitles you to one vote on each of the proposals for the special meeting of public warrant holders. Your one or more proxy cards show the number of shares of Silver Eagle common stock and/or public warrants, as applicable that you own. There are several ways to have your shares or warrants voted:

- You can submit your proxy by one of the following methods: (1) call the toll-free number specified on the enclosed proxy card and follow the instructions when prompted, (2) access the Internet website specified on the enclosed proxy card and follow the instructions provided to you, or (3) complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided. If you hold your shares or warrants in "street name" through a bank, broker or other nominee, you will need to follow the instructions provided to you by your bank, broker or other nominee to ensure that your shares or warrants are represented and voted at the applicable special meeting(s). If you vote by proxy card, your "proxy," whose name is listed on the proxy card, will vote your shares or warrants as you instruct on the proxy card. If you sign and return the proxy card but do not give instructions on how to vote your shares or warrants, your shares of Silver Eagle common stock or public warrants, as applicable, will be voted, as recommended by Silver Eagle's board of directors. With respect to proposals for the special meeting of stockholders, that means: "FOR" the Business Combination Proposal, "FOR" the Plan of Dissolution Proposal and "FOR" the Adjournment Proposal. With respect to the special meeting of warrant holders, that means: "FOR" the Warrant Amendment Proposal and "FOR" the Warrant holder Adjournment Proposal.
- You can attend the applicable special meeting(s) and vote in person. You will be given a ballot when you arrive. However, if your shares of common stock or public warrants are held in the name of

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your broker, bank or other nominee, you must get a proxy from the broker, bank or other nominee. That is the only way we can be sure that the broker, bank or nominee has not already voted your shares of common stock or public warrants.

Revoking Your Proxy

If you give a proxy, you may revoke it at any time before the special meetings, or at either such meeting by doing any one of the following:

- you may send another proxy card with a later date;
- you may notify James A. Graf, Silver Eagle's Secretary, in writing before the applicable special meeting that you have revoked your proxy; or
- you may attend the applicable special meeting, revoke your proxy, and vote in person, as indicated above.

No Additional Matters May Be Presented at the Special Meetings

The special meeting of stockholders has been called only to consider the approval of the Business Combination Proposal, the Plan of Dissolution Proposal and the Adjournment Proposal. The special meeting of public warrant holders has been called only to consider the approval of the Warrant Amendment Proposal and the Warrant holder Adjournment Proposal. Under Silver Eagle's bylaws, no other matters may be considered at the special meetings if they are not included in the notice of the special meeting(s).

Who Can Answer Your Questions About Voting

If you have any questions about how to vote or direct a vote in respect of your shares of Silver Eagle common stock or warrants, you may call Morrow & Co., LLC, Silver Eagle's proxy solicitor, at (800) 662-5200.

Redemption Rights

Pursuant to Silver Eagle's amended and restated certificate of incorporation, any holders of public shares may demand that such shares be redeemed in exchange for a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account as of two business days prior to the consummation of the Transaction, including interest, less franchise and income taxes payable, divided by the number of then outstanding public shares, subject to the limitations described herein. If demand is properly made and the Transaction is consummated, these shares, immediately prior to the Transaction, will cease to be outstanding and will represent only the right to receive a per-share price, payable in cash, equal to the aggregate amount then on deposit in the trust account as of two business days prior to the consummation of the Transaction, including interest, less franchise and income taxes payable, divided by the number of then outstanding public shares, subject to the limitations described herein. For illustrative purposes, based on funds in the trust account of approximately \$324,849,061 on September 30, 2014 and estimated \$130,000 in taxes payable, the estimated per share redemption price would have been approximately \$9.99.

Redemption rights are not available to holders of warrants in connection with the Transaction.

In order to exercise your redemption rights, you must, prior to 4:30 p.m. Eastern time on [], 2015 (two business days before the special meeting), both:

- Submit a request in writing that Silver Eagle redeem your public shares for cash to Continental Stock Transfer & Trust Company, Silver Eagle's transfer agent, at the following address:

Continental Stock Transfer & Trust Company
17 Battery Place
New York, New York 10004
Attn: Mark Zimkind
E-mail: mzimkind@continentalstock.com

and

- Deliver your public shares either physically or electronically through DTC to the transfer agent. Stockholders seeking to exercise their redemption rights and opting to deliver physical certificates

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should allot sufficient time to obtain physical certificates from the transfer agent. It is Silver Eagle's understanding that stockholders should generally allot at least two weeks to obtain physical certificates from the transfer agent. However, Silver Eagle does not have any control over this process and it may take longer than two weeks. Stockholders who hold their shares in street name will have to coordinate with their bank, broker or other nominee to have the shares certificated or delivered electronically. If you do not submit a written request and deliver your public shares as described above, your shares will not be redeemed.

Any demand for redemption, once made, may be withdrawn at any time until the deadline for exercising redemption requests and thereafter, with Silver Eagle's consent, until the vote is taken with respect to the Transaction. If you delivered your shares for redemption to Silver Eagle's transfer agent and decide within the required timeframe not to exercise your redemption rights, you may request that the transfer agent return the shares (physically or electronically). You may make such request by contacting the transfer agent at the email or physical address listed above.

It is a condition to closing under the Contribution Agreement, however, that the Contribution Amount is at least \$200,850,000. Any redemptions of public shares will decrease the amount in the trust account. Therefore, in order to satisfy the condition to closing, the maximum redemption threshold is the amount that would allow the Contribution Amount to be \$200,850,000. If, however, redemptions by public stockholders cause Silver Eagle to be unable to meet this closing condition, then Videocon d2h will not be required to consummate the Transaction, although it may, in its sole discretion, waive this condition. In the event that Videocon d2h waives this condition, Silver Eagle does not intend to seek additional shareholder approval or to extend the time period in which its public stockholders can exercise their redemption rights. In no event, however, will Silver Eagle redeem public shares in an amount that would cause its net tangible assets to be less than \$5,000,001 immediately prior to the Contribution.

Prior to exercising redemption rights, stockholders should verify the market price of Silver Eagle common stock as they may receive higher proceeds from the sale of their common stock in the public market than from exercising their redemption rights if the market price per share is higher than the redemption price. No assurance can be made that you will be able to sell your shares of Silver Eagle common stock in the open market, even if the market price per share is higher than the redemption price stated above, as there may not be sufficient liquidity in Silver Eagle common stock when you wish to sell your shares.

If you exercise your redemption rights, your shares of Silver Eagle common stock will cease to be outstanding immediately prior to the Transaction and will only represent the right to receive the per-share redemption price. You will no longer own those shares. You will be entitled to receive cash for these shares only if you properly demand redemption.

If the Transaction is not approved and Silver Eagle does not consummate an initial business combination by April 30, 2015 (or July 30, 2015 if it has entered into a letter of intent, agreement in principle or definitive agreement for an initial business combination by April 30, 2015 but has not completed the initial business combination by that date), Silver Eagle will be required to dissolve and liquidate and its warrants will expire worthless.

Appraisal Rights

Appraisal rights are not available to holders of shares of Silver Eagle common stock or warrants in connection with the Transaction.

PROPOSAL NO. 1 — APPROVAL OF THE BUSINESS COMBINATION

Silver Eagle is asking its stockholders to approve the Contribution Agreement. Silver Eagle stockholders should read carefully this proxy statement/prospectus in its entirety for more detailed information concerning the Contribution Agreement, which is attached as Annex A to this proxy statement/prospectus and is incorporated by reference herein. Please see the subsection entitled “*The Contribution Agreement*” below for additional information and a summary of certain terms of the Contribution Agreement. You are urged to read carefully the Contribution Agreement in its entirety before voting on this proposal.

Because Silver Eagle is holding a stockholder vote on the Transaction, its amended and restated certificate of incorporation provides that it may consummate the Transaction only if it is approved by the affirmative vote of the holders of a majority of the shares of Silver Eagle common stock that are voted at the special meeting of stockholders. In addition, under Section 271 of the General Corporation Law of the State of Delaware (“DGCL”), a transaction that constitutes the sale of all or substantially all the assets of a Delaware corporation requires the affirmative vote of a majority of the outstanding shares of the corporation entitled to vote thereon. Therefore, in order to be approved under both Silver Eagle’s amended and restated certificate of incorporation and Section 271 of the DGCL, the Business Combination Proposal must be approved by the vote of a majority of the outstanding shares of Silver Eagle common stock.

The Transaction

Pursuant to the Contribution Agreement, Silver Eagle will contribute to Videocon d2h the funds held in the trust account, less transaction expenses, amounts used to pay Silver Eagle stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal, payments to warrant holders (if the Warrant Amendment Proposal is approved) and reserves for liquidation and dissolution expenses, in exchange for equity shares of Videocon d2h. The Videocon d2h equity shares will be represented by Videocon d2h ADSs, with each ADS representing four Videocon d2h equity shares. Silver Eagle estimates that the equity shares issued by Videocon d2h will constitute between 33.42% and 38.42% of the issued share capital of Videocon d2h, depending on the number of shares redeemed by Silver Eagle’s public stockholders. See “*Unaudited Pro Forma Condensed Financial Information*” for further information. The current shareholders of Videocon d2h and the Sponsor will be entitled to be issued additional Videocon d2h shares and Videocon d2h ADSs, respectively, following the closing, subject to the achievement of certain ADS price targets for a specified period following the closing. As soon as reasonably practicable after the closing of the Transaction, Silver Eagle’s stockholders will receive Videocon d2h ADSs in proportion to their stockholdings in Silver Eagle and Silver Eagle will dissolve and liquidate. A copy of the Contribution Agreement is attached to this proxy statement/prospectus as Annex A. In addition, Silver Eagle is proposing to amend the agreement governing its outstanding warrants to provide that each outstanding public warrant of Silver Eagle will be exchanged for cash in the amount of \$1.00, as described more fully herein. In addition, the Sponsor and Dennis A. Miller have agreed to forfeit to Silver Eagle 15,000,000 private placement warrants held by them for no consideration. Accordingly, the private placement warrants will not be eligible to be exchanged for cash pursuant to the Warrant Amendment Proposal. A copy of the form of amendment to the warrant agreement is attached to this proxy statement/prospectus as Annex E.

The Contribution Agreement

The following is a summary of the material provisions of the Contribution Agreement between Videocon d2h and Silver Eagle (which we refer to as the Contribution Agreement). This summary is qualified in its entirety by reference to the Contribution Agreement, a copy of which is included as Annex A to this proxy statement/prospectus and is incorporated into this proxy statement/prospectus by reference. References to the Contribution Agreement include its exhibits and schedules unless the context otherwise requires. You should read the Contribution Agreement in its entirety, as it is the legal document governing this transaction. The Contribution Agreement and this summary of its terms have been included with this proxy statement/prospectus to provide you with information regarding the terms of the Contribution Agreement.

In reviewing the representations and warranties contained in the Contribution Agreement and described in this summary it must be recognized that the parties negotiated the representations and warranties with the principal purpose of establishing the circumstances in which a party to the Contribution Agreement may have

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liability in the event that a representation or warranty is untrue due to a change in circumstance or otherwise, and allocating risk between the parties, rather than establishing matters as facts.

Closing and Effective Time of the Contribution

Under the terms of the Contribution Agreement, the closing of the Transaction is to take place two business days following the satisfaction or waiver of the conditions described under the subsection below entitled “Closing Conditions” (other than conditions with respect to actions the parties will take at the closing itself) or such other date as Videocon d2h and Silver Eagle may mutually determine (the “closing date”). Any delay in satisfying any conditions to the Transaction could delay completion of the Transaction. If Silver Eagle and Videocon fail to complete the Transaction on or before the later of (x) March 31, 2015 or (y) if the effective date of this registration statement has occurred (“Effective Date”), 45 business days from such Effective Date, by reason of a failure of any condition precedent of a party, the other party may terminate the Contribution Agreement, unless the failure resulted primarily from breaches of representations, warranties or covenants of the party seeking termination.

Consideration to Be Received by Silver Eagle Stockholders in the Transaction

The Contribution Agreement provides for the purchase by Silver Eagle of newly issued equity shares of Videocon d2h, in the form of Videocon d2h ADSs, in exchange for a cash amount of U.S. Dollars of at least \$200.85 million.

The actual number of ADSs to be received by the holders of Silver Eagle shares who do not elect to have all of their shares redeemed is to be determined in accordance with a schedule set out in the Contribution Agreement and depends upon the actual contribution amount contributed by Silver Eagle which may not be less than \$200.85 million or more than \$273.35 million, which will result in the non-redeeming Silver Eagle holders owning between 33.42% to 38.42% of Videocon d2h's equity upon the closing, subject to the earn-out described below.

The number of ADSs to be issued may be adjusted if the exchange rate between the rupee and the U.S. dollar on the Effective Date has fluctuated by more than 3% since the rate on the date of the Contribution Agreement, subject to a limit (in either direction) of 10% more or less Equity Shares being issued. If the rupee / U.S. dollar exchange rate fluctuates by more than 10% against the rate prevailing on the date of the Contribution Agreement, the parties may terminate or renegotiate the Contribution Agreement.

Earn out

Following the closing, the current shareholders of Videocon d2h and the Sponsor will be entitled to be issued additional equity shares of Videocon d2h, by way of a bonus issue of shares (or such other form of issuance as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian laws, subject to the achievement of certain ADS price targets for a specified period following the closing. **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.** The current Videocon d2h shareholders will be entitled to be issued 46,720,000 equity shares under this earn-out, which is equal to 11.68 million Videocon d2h ADSs, and the Sponsor will be entitled to be issued an additional 1.3 million Videocon d2h ADSs (which is equal to 5.2 million Videocon d2h equity shares) increasing ratably to a maximum of 2 million Videocon d2h ADSs (which is equal to 8.0 million Videocon d2h equity shares), depending on the actual contribution amount in the Transaction. Assuming that Silver Eagle contributes \$273.35 million (the maximum amount) to Videocon d2h in the Transaction, then based on the value ascribed by the parties to the Videocon d2h ADSs in the Transaction of \$10.00 per ADS, the value of the equity shares represented by ADSs to be issued under these the earn-outs to the current Videocon d2h shareholders and the Sponsor would be \$116.8 million and \$20.0 million, respectively. Such equity shares and ADSs will only be issued, however, if the share price performance hurdles of the ADSs described below are satisfied. Accordingly, the actual value of the equity shares and ADS at the time of such issuance would likely be higher. Assuming that Silver Eagle contributes \$273.35 million (the maximum amount) to Videocon d2h in the Transaction and that following the transaction

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50% of the equity shares represented by ADSs subject to the earn-outs are issued when the market price of the ADSs (as converted in rupees in accordance with the Contribution Agreement) is \$12.50 and the remaining 50% of the equity shares represented by ADSs subject to the earn-outs are issued when the market price of the ADSs is \$15.00, then the aggregate value of the equity shares represented by ADSs that may be issued to the current Videocon d2h shareholders and the Sponsor under the earn-outs would be \$160.6 million and \$27.5 million, respectively. The share price performance hurdles of the ADSs to which the issuance of additional equity shares represented by ADSs to the current Videocon d2h shareholders and the Sponsor are as follows: (i) 50% of the total number of equity shares subject to the earnout provision will be issued to the current stockholders of Videocon d2h if the last sales price of Videocon d2h ADSs on NASDAQ (converted into Indian rupees on each such date in accordance with the Contribution Agreement) equals or exceeds 125% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees in accordance with the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date, and (ii) the remaining 50% of the total number of equity shares subject to the earnout provision will be issued to the current stockholders of Videocon d2h if the last sales price of Videocon d2h ADSs on NASDAQ (converted into Indian rupees in accordance with the Contribution Agreement) equals or exceeds 150% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees in accordance with the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date. However, at any time prior to the satisfaction of these share price hurdles during the three year period following the closing date, if Videocon d2h files a draft red herring prospectus for an initial public offering in India, then all the unissued equity shares and ADSs subject to the above described earn-out provision shall be issued prior to filing of such draft red herring prospectus, provided however that necessary actions will be taken in accordance with applicable law to cause the effect of 50% of such issuance to be nullified if the last sales price of the Videocon d2h ADSs on NASDAQ (converted into rupees) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) does not equal or exceed 125% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees) and to cause the effect of the remaining 50% of such issuance to be nullified if the last sales price of the Videocon d2h ADSs on the NASDAQ (converted into rupees) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 150% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees).

Additionally, Videocon d2h shall adopt a stock option plan, in accordance with applicable law, granting Mr. Saurabh Dhoot stock options at closing which shall be exercisable, subject to the achievement of certain ADS price targets for a specified period following the closing, to receive 2,800,000 equity shares of Videocon d2h, equivalent to 700,000 Videocon d2h ADSs.

Representations and Warranties

The Contribution Agreement contains certain representations and warranties of Videocon d2h and Silver Eagle relating to their respective businesses. The accuracy of each party's representations and warranties, subject in certain cases to a material adverse effect standard, is a condition to completing the business combination. See "— Conditions to Complete the Transaction."

Videocon d2h has qualified certain of the representations and warranties by a materiality or a material adverse effect / material adverse change standard. The Contribution Agreement defines "material adverse effect," or "material adverse change" with respect to Videocon d2h, as any event, change, circumstance, effect or other matter that would reasonably be expected to have a material adverse effect on (a) the business, financial condition, assets or results of operations of Videocon d2h, taken as a whole, or (b) the ability of Videocon d2h to consummate timely the Transaction; provided, however, that none of the following, either alone or in combination, will constitute, or be considered in determining whether there has been, a Material Adverse Effect: any event, change, circumstance, effect or other matter resulting from or related to (i) any outbreak or escalation of war or major hostilities or any act of terrorism, (ii) changes in laws (including any foreign or domestic federal, state or local law, statute, code, ordinance, regulation, rule, consent agreement,

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constitution or treaty of any governmental body, and common law), IFRS or enforcement or interpretation thereof, (iii) changes that generally affect the industries and markets in which Videocon d2h operates, (iv) changes in financial markets, general economic conditions (including prevailing interest rates, exchange rates, commodity prices and fuel costs) or political conditions, (v) any failure, in and of itself, of Videocon d2h to meet any published or internally prepared projections, budgets, plans or forecasts of revenues, earnings or other financial performance measures or operating statistics (it being understood that the facts and circumstances underlying any such failure may be considered in determining whether there has been a Material Adverse Effect), (vi) any action taken or failed to be taken pursuant to or in accordance with the Contribution Agreement or at the written request of, or consented to in writing by, Silver Eagle, or (vii) the execution or delivery of the Contribution Agreement, the consummation of the Transaction or the public announcement or other publicity with respect to any of the foregoing; provided, however, that the exceptions in clauses (i) through (iv) above will not apply to the extent that the impact of such event, change, circumstance, effect or other matter is disproportionately adverse to Videocon d2h relative to other companies in any industry in which Videocon d2h operates.

The representations and warranties set forth in the Contribution Agreement:

- have been qualified by information that Videocon d2h has set out in confidential disclosure schedules in connection with signing the Contribution Agreement—the information contained in these schedules modifies, qualifies and creates exceptions to Videocon d2h’s representations and warranties in the Contribution Agreement;
- have been qualified by information that Videocon d2h and Silver Eagle set out in this proxy statement / prospectus as initially submitted to the SEC and, in certain circumstances, as amended and/or supplemented;
- have, in some circumstances, been qualified by Videocon d2h’s knowledge;
- will survive for only a limited period following consummation of the Transaction;
- may be intended not as statements of fact, but rather as a way of allocating the risk to one of the parties to the Contribution Agreement if those statements turn out to be inaccurate; and
- are subject to the materiality and material adverse effect standards described in the Contribution Agreement, which may differ from what may be viewed as material by you.

Each of Videocon d2h and Silver Eagle has made representations and warranties to the other regarding, among other things: corporate matters, including due organization and qualification; legal proceedings; authority relative to each party’s execution and delivery of the Contribution Agreement and the absence of conflicts with, or violations of, organizational documents or other obligations as a result of the business combination; brokers’ fees the parties may have to pay in connection with the business combination; and the accuracy of information provided for inclusion in this proxy statement/prospectus.

In addition, Videocon d2h has made representations and warranties to Silver Eagle regarding, among other things: governmental and third-party filings and consents necessary to complete the Transaction; financial statements and the absence of undisclosed liabilities; the absence of certain changes or events; tax matters; capitalization; compliance with applicable laws; matters relating to certain contracts; intellectual property; employee matters and benefit plans; insurance; matters concerning related party transactions; environmental matters; permits and licenses; compliance with anti-corruption laws; the absence of restrictive agreements with governmental entities; and its properties and assets.

Conduct of Business Pending the Transaction

Each of Videocon d2h and Silver Eagle has undertaken customary covenants that place restrictions on it until the earlier of the termination of the Contribution Agreement or the effective time of the Transaction.

Each of them has agreed to use all commercially reasonable efforts to take all action and to do all things necessary, proper, or advisable in order to consummate and make effective the Transaction and, in addition each of them has agreed to:

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- (i) comply with procedures required by the Ministry of Information and Broadcasting for issuance of equity in Videocon d2h and all security clearance procedures;
- (ii) obtain from any other governmental body any other required consents or permits or to avoid any action or proceeding by any governmental body, in connection with the authorization, execution and delivery of the Contribution Agreement and the consummation of the Transaction; and
- (iii) as promptly as practicable make all necessary filings, and thereafter make any other required submissions, with respect to the Contribution Agreement required under applicable law.

Videocon d2h has further agreed that, with certain exceptions, it will not, among other things, undertake the following actions without Silver Eagle's prior consent:

- amend its articles of incorporation or bylaws in a manner that could be expected to delay or otherwise interfere with the consummation of the Transaction;
- issue, sell or pledge additional shares of its capital stock or securities convertible into any such shares, or any options, warrants or rights to acquire any such shares or other convertible securities;
- purchase, redeem or otherwise acquire any outstanding shares of its capital stock;
- declare, set aside or pay any dividend or other distribution in respect of its capital stock;
- incur any Indebtedness for borrowed money other than in the Ordinary Course of Business (as such terms are defined in the Contribution Agreement);
- terminate or materially and adversely amend any Material Contract (as such term is defined in the Contribution Agreement);
- waive or release any right or claim of a material value to Videocon d2h other than in the Ordinary Course of Business;
- sell, lease or license, or permit any material encumbrance on, any material portion of its assets other than in the Ordinary Course of Business (including providing purchase money security interests);
- acquire, by merger or consolidation with, or by purchase of all or a substantial portion of the assets or stock or, or by any other manner, any business or entity, or enter into any joint venture, partnership or other similar arrangement for the conduct of its business;
- take any action outside of the Ordinary Course of Business that causes Videocon d2h to deviate from the 2015 Budget (as defined in the Contribution Agreement) in any material respect;
- enter into any transaction with any shareholder, or any affiliate of Videocon d2h, other than in the Ordinary Course of Business consistent with the items set out in the F-4; or
- agree in writing to take any of the actions outlined in the foregoing bullet points.

Access and Cooperation

Subject to the term of their existing confidentiality agreement, Videocon d2h has agreed to permit Silver Eagle and its representatives to have reasonable access to its premises, personnel and books and records prior to the consummation of the Transaction.

Notice of Developments

Prior to Closing, Videocon d2h is obligated to advise Silver Eagle of any event, fact or condition or nonoccurrence of any event, fact or condition that may constitute a breach of any representation, warranty, covenant or agreement of Videocon d2h and to describe such issue in writing. Videocon d2h is also obligated to promptly supplement the information contained in the proxy statement / prospectus and the disclosure schedule to the Contribution Agreement. If Videocon d2h supplements its disclosure (whether in the proxy statement / prospectus or the disclosure schedules) or discloses an event or circumstance that constitutes a breach of any of its representation or warranties in the Contribution Agreement, Silver Eagle may (A) terminate the Contribution Agreement, (B) accept the supplemented or updated disclosure as a cure of the

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failure to disclose or the breach and continue the Contribution Agreement or (C) negotiate a mutually acceptable amendment to the Contribution Agreement with Videocon.

Bringdown / Update

On the day on which Silver Eagle publicly announces the record date for its Stockholder's Meeting, or such other date as agreed to in writing, Videocon d2h is required to confirm in writing that, as of such date, it believes in good faith after taking into account its actual results for the portion of its fiscal year ending March 31, 2015 (i) there will be no material deviations from the year-end targets in the 2015 Budget for certain agreed metrics and (ii) there is no material change of Videocon d2h's opinion on the outlook for the fiscal year ending March 31, 2016. Videocon d2h is required to provide Silver Eagle with financial and other information, including updated management accounts, which reasonably support its belief on these points.

If Videocon d2h is unable to issue the requisite confirmations, Silver Eagle may: (A) terminate the Contribution Agreement, (B) proceed with the transactions contemplated by the Contribution Agreement or (C) negotiate a mutually acceptable amendment to the Contribution Agreement with Videocon d2h. On March 2, 2015, Videocon d2h provided Silver Eagle with the requisite confirmation.

The parties have also agreed to negotiate, in good faith, an amendment to the Contribution Agreement relating to changes in the valuation of Videocon d2h if there are revisions to certain Indian tax laws or any license fees payable to the GOI resulting in a material change in the overall profitability of, or investor outlook for, the industry in which Videocon d2h operates in India due to such change in laws.

Exclusivity

Subject to certain exceptions detailed in the Contribution Agreement, the parties have agreed to exclusivity arrangements pursuant to which neither them will entertain alternative business combination, sale, reorganizations or other organic transactions. This exclusivity agreement ends on March 31, 2015, but will be extended to the date that is forty-five (45) days after the Effective Date if the Effective Date occurs between March 1, 2015 and March 31, 2015.

Other Pre-Closing Covenants

The parties to the Contribution Agreement have also agreed to a number of other pre-closing covenants including:

- An agreement by Videocon d2h that it will use its reasonable best efforts to cause the ADSs to be approved for listing on the NASDAQ Stock Market, subject to official notice of issuance, prior to the closing;
- An agreement by Silver Eagle that it and its executive officers will use their reasonable best efforts to ensure that the shareholders of Silver Eagle approve the Transaction;
- An agreement between that parties that they will take all actions necessary so that, as of the Closing, the Board of Directors of Videocon d2h will consist of the following directors: Saurabh Pradipkumar Dhoot, Shivratan Jeetmal Taparia, Pradeep Ramwilas Rathi, Nabankur Gupta, Karunchandra Srivastava, Harry E. Sloan and Jeff Sagansky;
- An agreement by Videocon d2h to provide certain resale registration rights to persons deemed to be affiliates of Silver Eagle pursuant to Rule 145(c) under the Securities Act;
- An agreement by Videocon d2h to use commercially reasonable efforts to provide to Silver Eagle the interim financial statements meeting SEC requirements for inclusion in the F-4 as soon as possible;
- An agreement by Videocon d2h to use its reasonable best efforts to qualify the ADSs under applicable state securities and "blue sky" laws of such jurisdictions that may be required;
- An agreement by each of Silver Eagle and Videocon d2h to use their reasonable best efforts to have the F-4 and 8-A12 (b) declared effective under the Securities Act and the Exchange Act, respectively, as promptly as practicable, and the agreement by Silver Eagle thereafter to file and mail or deliver the Proxy Statement to its stockholders; and

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- An agreement by Videocon d2h to use its reasonable best efforts to ensure that the depositary prepares and files with the SEC the F-6 in such form as complies, in all material respects, with the applicable provisions of the Securities Act and the agreement by Videocon d2h to use its reasonable best efforts to ensure the F-6 is declared effective under the Securities Act prior to the closing.

Consents; Approvals

The consummation of the Transaction is subject to the receipt of certain notices, approvals, clearances and consents from the MIB, Videocon d2h's lenders and the effectiveness of Videocon d2h's registration statement on Form F-4. Under the DTH License Agreement, the MIB must approve the issuance of new Equity Shares contemplated by the Contribution Agreement. Further under applicable Indian law relating to foreign investment, the MIB must grant prior security clearance in respect of Jeff Sagansky, Harry E. Sloan (and each of their alternate directors, if any) proposed to be appointed on the board of directors of Videocon d2h at closing.

Conditions to Complete the Transaction

Each of Videocon d2h's and Silver Eagle's obligations to complete the Transaction is separately subject to the satisfaction or waiver, if waivable, of other conditions, including:

- the other party's representations and warranties in the Contribution Agreement being true and correct in all respects or in all material respects, as the context so requires;
- the other party's performance in all material respects of its obligations under the Contribution Agreement; and
- there is not any order in effect preventing consummation of any of the transactions contemplated by the Contribution Agreement or any proceeding seeking to restrain, prevent, change or delay the consummation of any of the transactions contemplated by the Contribution Agreement

Silver Eagle's obligation to complete the Transaction is also subject to the satisfaction or waiver, if waivable, of the following conditions:

- There not having occurred, since the date of the Contribution Agreement, a Material Adverse Change on Videocon d2h;
- Videocon d2h having delivered to the depositary the Equity Shares having requested the depositary to issue ADSs to the Silver Eagle holders;
- Videocon d2h having received all consents and permits of governmental bodies and any other consent required in respect of scheduled material contracts and any other consents which the parties otherwise agree are necessary for the consummation of the Transactions;
- Each of the employment agreements between Videocon d2h and Saurabh Pradipkumar Dhoot, Anil Khera, Rohit Jain and Avanti Kumar Kanthaliya being in full force and effect as of the closing and before closing there has not been a change in compensation terms aggregating to more than US\$500,000 without the prior written consent of Silver Eagle;
- The Board of Directors of Videocon d2h consisting of (A) the following directors: Saurabh Pradipkumar Dhoot, Shivratan Jeetmal Taparia, Pradeep Ramwilas Rathi, Nabankur Gupta, Karunchandra Srivastava, Harry E. Sloan and Jeff Sagansky and (B) certain agreed alternate directors for Harry E. Sloan and Jeff Sagansky and Videocon d2h having confirmed the approval by its shareholders of resolutions appointing Harry E. Sloan, Jeff Sagansky and the alternate directors to the Board of Directors for a term of no less than 3 years and either of Harry E. Sloan or Jeff Sagansky having been appointed to the audit committee of the Board of Directors of Videocon d2h (provided they have affirmed their eligibility to serve);
- The Shareholder Lockup, Tag Along and Voting Agreement having been executed and delivered by the parties thereto;
- The Distribution Agent Agreement having been executed and delivered;
- The Deposit Agreement having been executed and delivered;

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- The F-4, F-6 and 8-A registration statements having been declared effective by the SEC and in effect at the closing and the ADSs will having been approved for listing on the NASDAQ Stock Market, subject to notice of issuance;
- The requisite approval of the holders of Silver Eagle's common stock contemplated by this proxy statement/prospectus, including approval of the Business Combination proposal having been obtained;
- Videocon d2h shall have adopted a stock option plan, in accordance with applicable law, and shall have granted to Mr. Saurabh Dhoot stock options exercisable to receive 2,800,000 Equity Shares, which is equivalent to 700,000 ADSs, with such options vesting and becoming exercisable upon satisfaction of the above referenced share price performance hurdles;
- Videocon d2h having adopted a policy with respect to compliance with the Foreign Corrupt Practices Act of 1977, as amended;
- The depository having furnished a confirmation of the deposit with it or the custodian of the Equity Shares being so deposited and the payment by Videocon d2h of any fees payable to the depository; and
- Videocon d2h having delivered to Silver Eagle a certificate of the Secretary of Videocon d2h, dated as of the closing date, attaching and certifying the organizational documents and authorizing resolutions of Videocon d2h and certifying the incumbency and signatures of the persons signing the Contribution Agreement and the ancillary agreements related to the Contribution Agreement and customary closing certificates and other instruments and documents required by the agreement.

Videocon d2h's obligation to complete the Transaction is subject to the satisfaction or waiver, if waivable, of the following conditions:

- Silver Eagle having obtained the requisite approval of the holders of Silver Eagle's common stock contemplated by this proxy statement/prospectus, including approval of the Business Combination Proposal;
- Silver Eagle has delivered to Videocon d2h at the closing a certificate, in form and substance reasonably satisfactory to Videocon d2h, confirming that each of the conditions specified above is satisfied;
- In accordance with the Contribution Agreement, Silver Eagle has deposited the Contribution Amount to an account designated by Videocon d2h;
- Silver Eagle has delivered to Videocon d2h a certificate of the Secretary of Silver Eagle, dated as of the closing date, attaching and certifying the organizational documents and authorizing resolutions of Silver Eagle and certifying the incumbency and signatures of the persons signing the Contribution Agreement and the ancillary agreements related to the Contribution Agreement;
- Silver Eagle has received all consents and permits of governmental bodies and other persons and entities necessary for the consummation of the Transaction; and
- The Sponsor Lockup Agreement having been executed and delivered by the parties thereto.

Post-Closing Covenants of the Parties

Videocon d2h has the following post-closing covenants under the Contribution Agreement:

- *Maintaining the Listing* – Videocon d2h will maintain the listing of the ADSs on the NASDAQ Stock Market for no less than 5 years from the closing date; provided that, Videocon d2h will be under no obligation to maintain the listing upon at least 6 months' prior written notice to the holders of the ADSs if: (i) Videocon d2h has Equity Shares listed on the BSE or other well-known and recognized international exchange outside the United States with an aggregate value in excess of \$100 million held by non-affiliates of Videocon d2h, (ii) there are material changes in the laws of

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the United States following the closing date that require direct expenses by Videocon d2h of more than \$3 million per annum in respect of maintaining such listing on the NASDAQ Stock Market and (iii) the 3 month daily average trading value of the ADSs on NASDAQ Stock Market is less than \$1.0 million.

- *Providing Indemnification to its Directors* – From and after the closing, Videocon d2h will provide or will cause to be provided to its directors customary indemnification coverage including rights to indemnification, advancement of expenses, and directors' and officers' insurance which are at least as favorable to such individuals as the rights to advancement of expenses, and directors' and officers' insurance consistent with industry standards, including by entering into indemnification agreements with the covered persons which provide such rights.
- *Audit Committee Composition* – Videocon d2h has agreed that Harry E. Sloan or Jeff Sagansky will be a member of the audit committee of the Board of Directors of Videocon d2h for so long as one or the other or either of their alternates remains a director and for so long as they continue to satisfy all requirements at law and stock exchange requirements with respect to services on such audit committee.

Silver Eagle made the following covenants under the Contribution Agreement:

- *Payment of its Expenses* – Silver Eagle will be responsible for and will pay the amount payable in respect of any all legal professional or transaction-related costs, fees and expenses incurred by Silver Eagle or its affiliates in connection with the Contribution Agreement or the Transaction.

Termination

The Contribution Agreement may be terminated as provided below:

- *By Mutual Consent* – Videocon d2h and Silver Eagle may terminate by mutual written consent at any time prior to the closing.
- *By either party based on Exchange Rate Movements* – Either Videocon d2h or Silver Eagle may terminate in the event the rupee/U.S. dollar exchange rate has either appreciated or depreciated more than 10% versus the base rate calculated in accordance with the Contribution Agreement on the last trading day before the effective date of Videocon d2h's registration statement on Form F-4, or the parties may agree to negotiate additional adjustments or renegotiate the amounts set forth in the Contribution Agreement.
- *By Videocon based on Silver Eagle Breaches, etc.* – Videocon d2h may terminate (i) in the event Silver Eagle has breached or failed to perform in any material respect any representation, warranty, or covenant contained in the Contribution Agreement which breach or failure to perform (a) would cause any condition precedent to obligations of Videocon d2h under the Contribution Agreement not to be satisfied and (b) either cannot be cured or, if curable, is not cured by Silver Eagle on or before the earlier of March 31, 2015 and the date which is 30 business days following receipt by Silver Eagle of written notice of such breach or failure or (ii) if the closing will not have occurred on or before the later of (x) March 31, 2015 or (y) if the Effective Date has occurred, 45 business days from the Effective Date, by reason of the failure of any such condition precedent (unless the failure results primarily from Videocon d2h itself materially breaching any representation, warranty, or covenant contained in the Contribution Agreement).
- *By Silver Eagle Based on Videocon d2h Breaches etc.* – Silver Eagle may terminate (i) in the event Videocon d2h has breached or failed to perform in any material respect any representation, warranty, or covenant contained in the Contribution Agreement which breach or failure to perform (a) would cause any condition precedent to obligations of Silver Eagle under the Contribution Agreement not to be satisfied and (b) either cannot be cured or, if curable, is not cured by Videocon d2h on or before the earlier of March 31, 2015 and the date which is 30 business days following receipt by Videocon d2h of written notice of such breach or failure or (ii) if the closing will not have occurred on or before the later of (x) March 31, 2015 or (y) if the Effective Date has occurred, 45 business

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days from the Effective Date, by reason of the failure of any such condition precedent (unless the failure results primarily from Silver Eagle itself materially breaching any representation, warranty, or covenant contained in the Contribution Agreement).

- *By Silver Eagle If it Does Not Accept Supplementations, Changes to Disclosure* – Silver Eagle may terminate if any supplementation of the Contribution Agreement, disclosure schedule or the F-4 occurs or any disclosure is made regarding the untruth of any representation or warranty made in the Contribution Agreement. In such cases, Silver Eagle will have the option of either (i) terminating the Contribution Agreement, (ii) accepting such supplemented Agreement, the F-4 and/or additional disclosure, as applicable, in which event such supplementation and/or additional disclosure will operate as a cure of the failure to disclose the information, or a cure of the breach of any representation or warranty made therein, or (iii) negotiating and entering into with Videocon d2h an amendment to the Contribution Agreement acceptable to Silver Eagle and Videocon d2h on such terms as they may agree.
- *By Silver Eagle If Videocon d2h Fails To Confirm That It Will Meet Certain Business Metrics* – Silver Eagle may terminate in the event Videocon d2h does not confirm that there are no material deviations from the year-end targets in the 2015 budget or provide applicable financial and other information as provided in Videocon d2h's covenants in the Contribution Agreement. Silver Eagle will have the option, exercisable within 30 days of the day on which Silver Eagle publicly announces the record date for its Stockholder's Meeting (or such later date on which the parties have agreed to in writing to allow Videocon d2h to deliver the foregoing written confirmation) of either (i) terminating the Contribution Agreement by delivering a notice to Videocon d2h, (ii) proceeding with the Transaction under the terms of the Contribution Agreement or (iii) negotiating and entering into with Videocon d2h an amendment to the Contribution Agreement acceptable to Silver Eagle and Videocon d2h.

Effect of Termination

If the Contribution Agreement is terminated as described above, all obligations of the parties under the Contribution Agreement will terminate; provided, however, that certain miscellaneous provisions will survive the termination. Nothing in the termination provisions of the Contribution Agreement will release any party from any liability for any willful or intentional breach of any covenant or agreement in the Contribution Agreement. In no event will the liability of any party under the Contribution Agreement after its termination for any reason exceed \$1.5 million.

Expenses

Except as otherwise expressly provided in the Contribution Agreement, each of Videocon d2h and Silver Eagle will bear its own costs and expenses (including legal fees and expenses) incurred in connection with the Contribution Agreement and the Transaction.

Videocon d2h will be responsible for payment of (i) any filing fees owed to the SEC or NASDAQ, (ii) any costs and expenses (including premiums) incurred in connection with the procurement of directors' and officers' insurance (other than for any "tail" policies to be acquired by Silver Eagle for Silver Eagle's directors and officers), (iii) any costs, fees and expenses to its consultants, auditors, accountants, attorneys, brokers or investment bankers and (iv) any application or listing fees related to the Contribution Agreement and the Transaction.

Amendments

The Contribution Agreement may not be amended other than by means of a written instrument signed by Videocon d2h and Silver Eagle. A waiver of any provision of the Contribution Agreement or any default, misrepresentation, or breach of warranty or covenant under the Contribution Agreement will not be valid unless the waiver is in writing and signed by the party making such waiver. Any such waiver will not be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant under the Contribution Agreement or affect in any way any rights arising from such occurrence.

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Distribution of ADSs

Videocon d2h will deliver to the depositary the Equity Shares issued by Videocon d2h in exchange for the Contribution by Silver Eagle, which Equity Shares will be registered in the name of the depositary (or its custodian) and will be represented by ADSs to be issued by the depositary to the stockholders of Silver Eagle as of the close of business on a date determined by the Board of Directors of Silver Eagle or, if required by the depositary, to transfer all such ADSs to the distribution agent for further transfer to such stockholders of Silver Eagle (as directed by Silver Eagle).

As soon as reasonably practicable after the closing, but in no event later than the third business day following the closing date, Videocon d2h will cause the depositary to issue and deliver ADSs representing the Equity Shares to such stockholders of Silver Eagle (or credit through direct registration) or, if required by the depositary, to the distribution agent for further transfer to such stockholders of Silver Eagle.

Indemnification

Indemnification between Videocon d2h and Silver Eagle

Videocon d2h will indemnify and hold harmless Silver Eagle, its representatives and the SEAC Distribution Record Holders (as defined in the Contribution Agreement), each of their respective affiliates, and their respective successors and assigns (the "Silver Eagle indemnitees") from and against the entirety of any adverse consequences that they may suffer or incur resulting from, arising out of, relating to, in the nature of, or caused by (a) any breach or inaccuracy of any representation or warranty made in the Contribution Agreement by Videocon d2h (except if such breach or inaccuracy arises solely from legislative, judicial or other acts of a governmental body following the date of the Contribution Agreement) or (b) any breach of any post-closing covenant or agreement of Videocon d2h in the Contribution Agreement.

Silver Eagle will indemnify and hold harmless Videocon d2h and its representatives, each of their respective affiliates, and their respective successors and assigns (the "Videocon d2h indemnitees") from and against the entirety of any adverse consequences they may suffer or incur resulting from, arising out of, relating to, in the nature of, or caused by (a) any breach or inaccuracy of any representation or warranty made by Silver Eagle in the Contribution Agreement (except if such breach or inaccuracy arises solely from legislative, judicial or other acts of a governmental body following the date of the Contribution Agreement) or (b) any breach of any covenant or agreement of Silver Eagle in the Contribution Agreement.

No Videocon d2h indemnitee or Silver Eagle indemnitee may sell or otherwise transfer any of its indemnification rights to any third party, including to any person or entity that acquires or otherwise succeeds to any Equity Shares owned by a holder of Equity Shares.

Survival and Time Limitations

All representations, warranties, covenants and agreements of Videocon d2h and Silver Eagle in the Contribution Agreement or any other certificate or document delivered pursuant thereto will survive the closing. Except regarding ongoing notification requirements under the Contribution Agreement, the right to indemnification for adverse consequences based on such representations, warranties, covenants and agreements will not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) by a party at any time, whether before or after the execution and delivery of the Contribution Agreement, with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenant, or obligation, except that a party will not be entitled to indemnification if the party from which it is seeking indemnification proves that the party seeking indemnification obtained knowledge of such inaccuracy or non-compliance from the party from which it is seeking indemnification prior to entering into the Contribution Agreement.

Videocon d2h will have no liability with respect to any indemnity claim by Silver Eagle Indemnitees unless Silver Eagle notifies Videocon d2h of such a claim on or before the date that is 30 days after Videocon d2h has made publicly available its audited financial statements for the full fiscal year ending March 31, 2016 (the "survival date"); provided, however, that any claim related to intentional or fraudulent breaches of the representations and warranties may be made at any time without limitation. Silver Eagle will have no liability with respect to any claim for any breach or inaccuracy of any representation or warranty in the Contribution Agreement unless Videocon d2h notifies Silver Eagle of such a claim on or before the survival date; provided,

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however, that any claim relating to intentional or fraudulent breaches of the representations and warranties may be made at any time without limitation. If Silver Eagle or Videocon d2h, as applicable, provides proper notice of a claim within the applicable time period set forth above, then liability for such claim will continue until such claim is resolved.

Third Party Claims

If a third party initiates a claim, demand, dispute, lawsuit or arbitration (a “third-party claim”) against any person or entity (the “indemnified party”) with respect to any matter that the indemnified party might make a claim for indemnification against any party (the “indemnifying party”) under the Contribution Agreement, the indemnifying party will have the right to defend the indemnified party against the third-party claim with counsel reasonably satisfactory to the indemnified party, provided, that (i) the indemnifying party notifies the indemnified party in writing within 15 days after the indemnified party has given notice of the third-party claim that the indemnifying party will indemnify the indemnified party from and against the entirety of any adverse consequences the indemnified party may suffer from the third-party claim, (ii) the indemnifying party provides the indemnified party with evidence reasonably acceptable to the indemnified party that the indemnifying party will have the financial resources to defend against the third-party claim and fulfill its indemnification obligations, (iii) the third-party claim involves only money damages, (iv) disposition of the third-party claim is not, in the good faith judgment of the indemnified party, likely to establish a precedent adverse to the continuing business interests or the reputation of the indemnified party, and (v) the indemnifying party conducts the defense of the third-party claim actively and diligently. The indemnifying party will keep the indemnified party apprised of all material developments, including settlement offers, with respect to the third-party claim and permit the indemnified party to participate in the defense of the third-party claim. So long as the indemnifying party is conducting the defense of the third-party claim in accordance with the Contribution Agreement, the indemnifying party will not be responsible for any attorneys’ fees or other expenses incurred by the indemnified party regarding the defense of the third-party claim.

In the event that the indemnifying party fails to conduct the defense of the third-party claim in accordance with the Contribution Agreement, however, (i) the indemnified party may defend against, and consent to the entry of any judgment on or enter into any settlement with respect to, the third-party claim in any manner it may reasonably deem appropriate, (ii) the indemnifying party will reimburse the indemnified party promptly and periodically for the costs of defending against the third-party claim (including reasonable attorneys’ fees and expenses), and (iii) the indemnifying party will remain responsible for any adverse consequences the indemnified party may suffer from the third-party claim to the fullest extent provided in the Contribution Agreement.

Except in the event the indemnifying party fails to conduct the defense of the third-party claim in accordance with the Contribution Agreement, neither the indemnified party nor the indemnifying party will consent to the entry of any judgment or enter into any settlement with respect to the third-party claim without the prior written consent of the other party.

Limitations and Other Matters Regarding Indemnification

All indemnification liabilities under the Contribution Agreement, including third-party claims, will be subject to a basket of the aggregate adverse consequences of 2.0% of the Contribution Amount, under which the parties will have no liability to each other, and a maximum liability cap of the aggregate adverse consequences of 12.5% of the Contribution Amount.

For purposes of determining whether there has been any misrepresentation or breach of a representation or warranty, and for purposes of determining the amount of adverse consequences resulting therefrom, all qualifications or exceptions in any representation or warranty relating to or referring to the terms “material”, “materiality”, “in all material respects”, “Material Adverse Effect” or any similar term or phrase will be disregarded, it being the understanding of Videocon d2h and Silver Eagle that for purposes of determining indemnification liability under the Contribution Agreement, the representations and warranties of the parties will be read as if such terms and phrases were not included in them.

Except with respect to claims based on fraud, intentional misconduct or the failure to perform and comply with the covenants and agreements that survive the closing, the indemnification provided pursuant to the Contribution Agreement will be the sole and exclusive remedy for any adverse consequences resulting

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from, with respect to or arising out of any breach or claim in connection with the Contribution Agreement, any schedule thereto and any certificate delivered in connection therewith, without limiting a party's right to pursue equitable remedies, including injunctive relief and specific performance.

Agreements Related to the Contribution Agreement

Shareholder Lockup, Tag Along and Voting Agreement

Pursuant to the Shareholder Lockup, Tag Along and Voting Agreement, shareholders of Videocon d2h who are parties to the Shareholder Lockup, Tag Along and Voting Agreement will covenant that during the Lock-up Period (as defined below), subject to certain customary exceptions, they will not (i) sell, offer to sell, contract or agree to contract to sell, hypothecate, pledge, grant any option or purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act with respect to any portion of its equity securities in Videocon d2h, (ii) enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of any of such securities, whether such transaction is to be settled by delivery of such shares or other securities, in cash or otherwise, or (iii) publicly announce any intention to effect any transaction specified in (i) or (ii) above. The Lock-up Period is the period beginning on the closing date of the Contribution Agreement and ending on the earlier of the date: (a) that is 12 months following the closing date or earlier if (x) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 125% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date, after which transfers of 50% of the equity securities will be permitted (pro rata among the shareholders who are parties to the Shareholder Lockup and Voting Agreement), or (y) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 150% of the price per Videocon d2h ADS issued to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date, after which transfers of the remaining 50% of the equity securities will be permitted (pro rata among the shareholders who are parties to the Shareholder Lockup and Voting Agreement), (b) Videocon d2h consummates a liquidation, merger, stock exchange or other similar transaction that results in all of the equityholders of Videocon d2h (including the holders of the Videocon d2h ADSs) having the right to exchange their equity securities for cash, securities or other property and (c) Videocon d2h consummates an initial public offering of its Equity Shares in India with such shares listed on a recognized stock exchange in India.

If the shareholders who are parties to the Shareholder Lockup, Tag Along and Voting Agreement propose to engage in a transfer of at least 50% (on a fully-diluted basis) of the outstanding share capital of Videocon d2h to a strategic purchaser (a "control sale"), as a condition to such control sale, such selling shareholders will require such strategic purchaser to make a tender offer to purchase, in accordance with applicable securities laws, rules and regulations, and at the same price per share underlying the Videocon d2h ADSs from the holders of Videocon d2h ADSs equal to: (i) the number of Equity Shares to be sold by such shareholders to such strategic purchaser divided by the total number of Equity Shares held by such shareholders; multiplied by (ii) the number of outstanding Videocon d2h ADSs. This obligation will terminate upon such shareholders ceasing to own 50% (on a fully-diluted basis) of the outstanding share capital of Videocon d2h.

To the extent permitted by applicable laws, rules and regulations, each of the shareholders who are parties to the Shareholder Lockup, Tag Along and Voting Agreement agrees to vote all Equity Shares owned by such shareholder, or over which such shareholder has voting control, to ensure that each of Harry E. Sloan and Jeff Sagansky: (i) shall be elected to the Board of Directors of Videocon d2h for a period of no less than 3 years following the closing date; (ii) may not be removed other than for cause; and (iii) shall be replaced by such director's respective alternate director or other designee upon any vacancies created by resignation, removal (other than for cause) or death.

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Sponsor Lockup Agreement

Pursuant to the Sponsor Lockup Agreement, the Sponsor will covenant that during the Lock-up Period (as defined below), subject to certain customary exceptions, it will not (i) sell, offer to sell, contract or agree to contract to sell, hypothecate, pledge, grant any option or purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act with respect to any portion of its Videocon d2h ADSs issued pursuant to the Contribution Agreement, (ii) enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of any of the Videocon d2h ADSs, whether such transaction is to be settled by delivery of Videocon d2h ADSs or other securities, in cash or otherwise, or (iii) publicly announce any intention to effect any transaction specified in (i) or (ii) above. The Lock-up Period is the period beginning on the closing date of the Contribution Agreement and ending on the earlier of the date: (a) that is 12 months following the closing date or earlier if (x) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 125% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date, after which transfers of 50% of the Videocon d2h ADSs will be permitted, or (y) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 150% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years following the closing date, after which transfers of the remaining 50% of the Videocon d2h ADSs will be permitted), (b) Videocon d2h consummates a liquidation, merger, stock exchange or other similar transaction that results in all of the equityholders of Videocon d2h (including the holders of the Videocon d2h ADSs) having the right to exchange their equity securities for cash, securities or other property and (c) Videocon d2h consummates an initial public offering of its Equity Shares in India with such shares listed on a recognized stock exchange in India. In addition, the Sponsor shall also be permitted to transfer the Videocon d2h ADSs to Videocon d2h in connection with any redemption, repurchase, acquisition, exchange, tender offer or otherwise of Videocon d2h ADSs in the event that the holders of the Videocon d2h ADSs (other than the Sponsor) fail to sell a sufficient number of Videocon d2h ADSs in connection with any such redemption, repurchase, acquisition, exchange, tender offer or other similar transaction.

Treatment of the Founder Shares in the Transaction

Immediately prior to the closing of the Transaction, the Sponsor, Dennis A. Miller and our independent directors will forfeit, in aggregate, 2,875,000 founder shares, 2,031,250 of which will be “founder earnout shares” as described in the prospectus for Silver Eagle’s initial public offering which are subject to forfeiture if certain share price targets are not met following the closing of Silver Eagle’s business combination transaction. This represents forfeiture of all of the founder earnout shares held by our founders. Following such forfeiture, the Sponsor, Dennis A. Miller and the independent directors of Silver Eagle, James McNamara Ernest Del, Jay Itzkowitz and Eli Baker will hold, in aggregate, 5,235,000 founder shares. Under the Contribution Agreement, following the closing of the Transaction, Videocon d2h is required to issue the Sponsor an additional 1.3 million ADSs (valued at approximately \$13.0 million based on the price per ADS of \$10.00 ascribed by the parties to the Transaction) increasing ratably to a maximum of an additional 2.0 million ADSs (valued at approximately \$20.0 million based on the price per ADS of \$10.00 ascribed by the parties to the Transaction), based on the applicable actual Contribution Amount contributed by Silver Eagle to Videocon d2h, by way of a bonus issue of shares (or such other form of issuance as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian laws. **In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs (including any holders of equity shares underlying such ADSs), other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus, and such holders shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus.**

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50% of such ADSs will be issuable if the last sales price of the Videocon d2h ADSs on NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 125% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees in accordance with the Contribution Agreement) and the remaining 50% of such ADSs will be issuable if the last sales price of the Videocon d2h ADSs on the NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 150% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees). However, at any time prior to the satisfaction of these share price hurdles during the three year period following the closing date, if Videocon d2h files a draft red herring prospectus for an initial public offering in India, then all the unissued equity shares and ADSs subject to the above described earn-out provision shall be issued prior to filing of such draft red herring prospectus, provided however that necessary actions will be taken in accordance with applicable law to cause the effect of 50% of such issuance to be nullified if the last sales price of the Videocon d2h ADSs on NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) does not equal or exceed 125% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees in accordance with the Contribution Agreement) and the effect of the remaining 50% of such issuance to be nullified if the last sales price of the Videocon d2h ADSs on the NASDAQ (converted into rupees in accordance with the Contribution Agreement) for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 150% of the price per ADS issued to the Silver Eagle stockholders in the Transaction (converted into rupees in accordance with the Contribution Agreement). If for any reason Videocon d2h is not permitted to issue such equity shares or ADSs, then Videocon d2h will make such other issuances or cash payments to the Sponsor that would result in the Sponsor receiving the same economic rights, benefits and privileges it otherwise would have been entitled to had the issuances of the equity shares and/or ADSs described above been made.

In addition to receiving ADSs in respect of 5,235,000 founder shares held at closing, the following table includes the number of additional Videocon d2h equity shares (represented by ADSs) that the sponsor will be entitled to receive from Videocon d2h based on varying contribution levels, and based on the post-closing price performance of the ADSs during the three-year period following the closing, as described above.

<u>Contribution</u>	<u>Amount</u>	<u>Equity Shares that may be Issued to Founders</u>	<u>ADSs Representing Equity Shares that may be Issued to Founders</u>	<u>Value of ADSs Representing Equity Shares that may be Issued to Founders⁽¹⁾</u>
Minimum	\$ 200,850,000	5.2 million	1.3 million	\$ 13,000,000
Median	\$ 237,100,000	6.6 million	1.7 million	\$ 17,000,000
Maximum	\$ 273,350,000	8.0 million	2.0 million	\$ 20,000,000

(1) Based on the initial price of \$10.00 per ADS, which is the value ascribed by the parties to the Transaction to the Videocon d2h ADSs to be issued at closing.

Background of the Transaction

The terms of the Transaction are the result of negotiations between the representatives of Silver Eagle and Videocon d2h. The following is a brief description of the background of these negotiations and the resulting Transaction.

Silver Eagle is a special purpose acquisition company (SPAC) formed in Delaware on April 11, 2013 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. Silver Eagle has sought to capitalize on the substantial deal sourcing, investing and operating expertise of its management team to identify and combine with media or entertainment businesses with high growth potential in the United States or internationally.

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On July 30, 2013, Silver Eagle consummated its initial public offering, or IPO, of 32,500,000 units, with each unit consisting of one share of our common stock and one warrant to purchase one-half share of our common stock at an exercise price of \$11.50 per full share (for each pair of warrants). The units in Silver Eagle's IPO were sold at an offering price of \$10.00 per unit, generating total gross proceeds of \$325,000,000. Prior to the consummation of Silver Eagle's IPO, the founding shareholders, including Harry E. Sloan, Jeff Sagansky, James Graf (Messrs. Sloan, Sagansky and Graf being members of the Sponsor) and Dennis Miller purchased 8,125,000 founder shares for an aggregate purchase price of \$25,000, or approximately \$0.003 per share. On July 10, 2013, the Sponsor and Mr. Miller transferred an aggregate of 35,000 founder shares each to James M. McNamara and Ernest Del, each of whom agreed to serve on Silver Eagle's board of directors upon the closing of its IPO.

Simultaneously with the consummation of its IPO, Silver Eagle consummated the private sale of 15,000,000 sponsor warrants to purchase one-half share of common stock at an exercise price of \$5.75 per half share (\$11.50 per share per pair of warrants) to the Sponsor at a price of \$0.50 per warrant, generating gross proceeds of \$7,500,000. After deducting underwriting discounts and commissions and offering expenses, \$325,000,000 of the proceeds of Silver Eagle's IPO and the private placement of the sponsor warrants (or approximately \$10.00 per unit sold in our IPO) was placed in a trust account with Continental Stock Transfer & Trust Company as trustee. The trust proceeds are invested in U.S. government treasury bills with a maturity of 180 days or less or money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act of 1940, as amended, which invest only in direct U.S. government treasury obligations.

Except for the withdrawal of interest to pay income taxes, if any, and a one-time release of amounts necessary to pay Delaware franchise taxes on a timely basis, none of the funds held in the trust account may be released from the trust account until the earlier of (i) the completion of Silver Eagle's initial business combination and (ii) the redemption of 100% of Silver Eagle's public shares if Silver Eagle is unable to complete its initial business combination by April 30, 2015 (or July 30, 2015 if it has executed a letter of intent, agreement in principle or definitive agreement for an initial business combination by April 30, 2015 but has not completed the initial business combination by that date). After the payment of expenses relating to Silver Eagle's IPO, approximately \$1,000,000 of the net proceeds of the IPO and private placement of the sponsor warrants was retained by Silver Eagle (outside the trust account) for working capital purposes. As of September 30, 2014, \$188,970 had been withdrawn from the trust account for taxes and no funds had been withdrawn for working capital purposes. As of September 30, 2014, there was \$19,997 held outside the trust account available for working capital purposes.

Prior to the consummation of its IPO, neither Silver Eagle, nor anyone on its behalf, contacted any prospective target business or had any substantive discussions, formal or otherwise, with respect to such a transaction with Silver Eagle.

After its IPO, Silver Eagle's officers and directors commenced an active search for prospective businesses or assets to acquire in its initial business combination. Representatives of Silver Eagle were contacted by numerous individuals and entities who offered to present ideas for acquisition opportunities, including financial advisors and other members of the financial, entertainment, media and technology communities. Silver Eagle's officers and directors and their affiliates also brought to its attention target business candidates.

During this search process, Silver Eagle reviewed more than 30 acquisition opportunities and entered into detailed discussions with more than 10 potential target businesses or their representatives. Silver Eagle ultimately determined to abandon each of its other potential acquisition opportunities either because (i) it did not succeed in a competitive auction or (ii) it concluded that the target business or the terms of a potential business combination would not be a suitable acquisition for Silver Eagle, particularly in comparison to Videocon d2h.

The vast majority of the potential targets considered by Silver Eagle were U.S. and international media and entertainment companies. In particular, Silver Eagle evaluated a number of domestic and foreign traditional broadcast and other content-driven media businesses and domestic based new media businesses, among other opportunities.

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On or about June 5, 2014, Jay Itzkowitz, who currently serves as General Counsel of Global Eagle Entertainment Inc., contacted Harry E. Sloan and Jeff Sagansky, Silver Eagle's Chairman/Chief Executive Officer and President, respectively, and who both serve as independent directors of Global Eagle Entertainment Inc., to discuss the potential for Silver Eagle to pursue a business combination with one or more of the six direct-to-home broadcasting (commonly referred to as "DTH") operators in India, given the potential growth and consolidation opportunities in that market, and offered to introduce Silver Eagle to one or more of the potential targets. An Overseas Citizen of India, Mr. Itzkowitz has over 30 years of experience in India, which included 10 years at News Corporation where he was involved in all of News Corporation's investments in the Indian media sector, including the initial acquisition of STAR TV and investments in ZEE TV and UTV. Mr. Sloan and Mr. Sagansky indicated that they would be interested in learning more about the general opportunity to acquire an operator in this sector and any specific potential targets for Silver Eagle. Mr. Itzkowitz then suggested an initial target, which was not Videocon d2h but another DTH operator, and introduced a director on the board of directors of that initial target, who met with Mr. Sloan and Mr. Sagansky in New York on June 10, 2014.

On June 23, 2014 Silver Eagle met with bankers from Deutsche Bank Securities Inc., or Deutsche Bank, in New York to get Deutsche Bank's views on Indian DTH market, various targets and market demand for such a transaction based on publicly available information. On or about that time, Silver Eagle also introduced the director of the initial target to representatives of Deutsche Bank. Silver Eagle did not sign a nondisclosure agreement or receive non-public information about the initial target. In early July 2014, Silver Eagle made the determination that it would be challenging for a SPAC to consummate a transaction with that initial target for a variety of reasons and therefore decided not to pursue the initial target and instead continued to pursue other potential transactions.

Thereafter, at Silver Eagle's request, Mr. Itzkowitz and his contacts facilitated a meeting in London on July 18, 2014 between a representative of the Videocon Group, and Mr. Sloan and James Graf, Silver Eagle's Chief Financial Officer. At that meeting, the Videocon Group representative generally described the business of Videocon d2h and prospects in the Indian DTH market, and the Silver Eagle executives described their background, and advantages of taking Videocon d2h public on the NASDAQ market in conjunction with a transaction with Silver Eagle over the potential domestic Indian IPO which Videocon d2h had been planning. The Videocon Group representative advised that Mr. Saurabh Pradipkumar Dhoot, Executive Director and the controlling shareholder of Videocon d2h, was the appropriate person to discuss the proposed transaction between Silver Eagle and Videocon d2h.

Based on feedback received during that meeting, a call was arranged on July 28, 2014 between Videocon d2h executives Mr. Saurabh Pradipkumar Dhoot, Executive Director of Videocon d2h, Mr. Rohit Jain, Deputy Chief Executive Officer, and Mr. S.K. Shelgikar, Videocon Group advisor, and Mr. Sagansky, and Mr. Graf, to discuss a potential transaction in greater detail, including considerations relating to the planned domestic IPO for the company and the general economics of a transaction with an acquisition company such as Silver Eagle.

On July 29, 2014, Mr. Sloan, Mr. Sagansky and Mr. Graf briefed Deutsche Bank on the situation and asked Deutsche Bank to clear conflicts, as Silver Eagle intended to retain Deutsche Bank to assist in its pursuit of a transaction with Videocon d2h. Silver Eagle signed a formal engagement letter with Deutsche Bank on September 12, 2014, although Deutsche Bank commenced preliminary work as of July.

Silver Eagle and Videocon d2h signed a non-disclosure agreement on August 3, 2014. Videocon d2h began providing information to Silver Eagle on August 12, 2014.

During the remainder of August 2014, Silver Eagle and Videocon d2h executives and advisors from Deutsche Bank had numerous conference calls and exchanged emails to discuss the business plan and a potential transaction. These calls primarily involved Mr. Graf from Silver Eagle and Mr. Rohit Jain from Videocon d2h, but also involved Mr. Sloan, Mr. Sagansky, Mr. Saurabh Pradipkumar Dhoot, Mr. Shelgikar, Mr. Avanti Kanthaliya, Chief Financial Officer of Videocon d2h, and members of the Deutsche Bank team in India, Singapore and elsewhere. At no time during this period was an investment proposal delivered to either party, and discussions remained exploratory in nature.

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On September 7, 2014, Mr. Graf traveled to Mumbai, India for three days of preliminary diligence meetings with the company and Deutsche Bank. The purpose of the trip was to collect enough information for Silver Eagle to (i) determine if it wanted to continue evaluating the company and if so (ii) begin to conduct due diligence and develop its own financial model for the company and a view on valuation and deal structure. During this trip, Mr. Graf met with Mr. Saurabh Pradipkumar Dhoot, Mr. Rohit Jain, Mr. Kanthaliya, Mr. Anil Khera, Chief Executive Officer of Videocon d2h, and other members of the management team, as well as Deutsche Bank representatives. On September 9, 2014, Silver Eagle arranged for its accounting advisor, to meet with Khandelwal Jain & Co., Videocon d2h's independent auditor, to discuss the financial reporting requirements for the registration of shares under SEC rules. Mr. Graf and Deutsche Bank met several local law firms to discuss transaction structures in the context of local regulations, and it was determined in early September, after considering a wide range of other alternatives, that the structural approach ultimately utilized for this Business Combination was the most likely to succeed from a local tax and regulatory perspective. Specifically, traditional merger structures were eliminated as alternatives, as (i) no tax free exchange could be achieved for the Videocon d2h shareholders from an Indian context, whether done domestically in India or with an offshore entity, and (ii) an acquisition of Silver Eagle by Videocon d2h or acquisition of a large minority block of shares in Videocon d2h by Silver Eagle itself would attract an Indian government approval process of uncertain scope and timing, which was undesirable given Silver Eagle's deadline to complete a business combination. Silver Eagle and Videocon d2h believed that the only structure that would work on the desired timeline would require Videocon d2h to be the surviving entity and issuer of shares and that, to ensure proceeds accrue efficiently and directly to the company, and for Silver Eagle shareholders to benefit most directly in the company without the expense and inefficiency of an intermediate holding company, that the new shares in Videocon d2h be issued directly to the Silver Eagle shareholders, including the founders.

Numerous conference calls among the Silver Eagle and Videocon d2h executives and Deutsche Bank were held during the remainder of September 2014 through early October 2014 to discuss and clarify proposed terms. In the course of these discussions, the principals decided there was sufficient common ground to meet in London on October 15, 2014 to try to negotiate a deal.

Mr. Sloan, Mr. Sagansky, Mr. Graf, Mr. Dhoot, Mr. Khera, Mr. Jain, Mr. Shelgikar and Deutsche Bank executives met at the offices of Deutsche Bank in London on October 15, 2014 and reached a general understanding on transaction valuation and structure. The Videocon d2h executives informed Silver Eagle that they would only proceed with a transaction that eliminated the Silver Eagle warrants entirely and resulted in substantial forfeiture of the Silver Eagle sponsor shares. The parties determined high level ratios resulting in the post closing equity ownership at the meeting in London, based on expected costs and expenses of the transaction, including elimination of warrants, and founder share forfeitures. The parties agreed that Mr. Graf would travel to Mumbai again on October 27, 2014 to try to work out final details and sign a term sheet between the parties. This would formally "kick-off" the execution of the transaction, including commencement of the re-audit of company financials to comply with SEC requirements.

On October 30, 2014, Mr. Graf, on behalf of Silver Eagle, and Mr. Dhoot, on behalf of Videocon d2h, signed a preliminary non-binding term sheet, subject to diligence and ongoing negotiation on several key business points. The term sheet was based, in part, on Videocon d2h providing to Silver Eagle its forecast for certain key financial metrics for fiscal 2015, including 13.1 million gross subscribers and 10.2 million net subscribers, Rs.193 in accounting ARPU, Rs.23.5 billion in gross revenues, Rs.5.9 billion in EBITDA, content cost of Rs.8.4 billion and \$475-480 million in net debt at March 31, 2015. Silver Eagle will confirm Videocon d2h's outlook on these key financial metrics for fiscal 2015 during bring down due diligence around the time of the effectiveness of the registration statement of which this proxy statement/prospectus forms a part. The parties commenced work on the F-4 and Contribution Agreement, Silver Eagle continued its due diligence review with the support of Deutsche Bank, and Khandelwal Jain & Co. commenced work on the re-audit of the company to comply with SEC requirements.

During the week of November 23, 2014, Silver Eagle's counsel circulated an initial draft of the Contribution Agreement and the registration statement on Form F-4, or the F-4.

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Mr. Graf returned to Mumbai for 17 days beginning December 4, 2014 to finalize due diligence, business plan modeling, drafting of the F-4 disclosure, negotiating the valuation and final business terms for the proposed transaction and negotiation and drafting of the Contribution Agreement, with daily input from Mr. Sloan and Mr. Sagansky. Deutsche Bank was on site with Mr. Graf throughout this process, providing support. During this time, Silver Eagle conferred with Deutsche Bank generally on the prospective market demand for shares of Videocon d2h and the valuation levels proposed and an overall marketing program, including the potential to exchange Silver Eagle public warrants through a warrant amendment prior to closing, as Videocon d2h was unwilling to issue warrants as part of transaction consideration, unwilling to take the risk of a tender offer for the warrants and required that the elimination of the warrants was Silver Eagle's risk and responsibility alone and not a condition to closing, as the warrants were not entitled to receive any shares in Videocon d2h (i.e., they would be left at the Silver Eagle entity to be liquidated). During this trip, the parties agreed on the general parameters of the earnout to be received by the Videocon d2h shareholders to bridge the valuation gap, i.e., that if the share price increased 25%, the Videocon d2h shareholders would be entitled to additional shares increasing their stake by approximately two percentage points, with shares representing another two percentage points to be issued when the share price increased 50%. Likewise, it was also agreed to provide consideration to the Silver Eagle sponsor in the event the shares substantially increased in value over time, mitigating to some extent the forfeiture of all the founder shares (approximately 2 million shares) and 850,000 founder earnout shares upfront, and to Mr. Saurabh Dhoot on the same basis. It was agreed that the Sponsor would receive the benefit of \$13 million to \$20 million, i.e. 1.3 to 2.0 million ADSs, depending on the net proceeds delivered to the company, based on the ADS price performance over time. The \$20 million upfront value in shares, i.e., two million shares, to be issued to the Silver Eagle founders in the event of no redemption parallels the two million founder earnout shares that the Silver Eagle founders forfeited, but no additional consideration given to the approximately 850,000 based founder shares forfeited and the 15,000,000 founder warrants forfeited. It was agreed that this consideration would be reduced pro-rata down to \$13 million, i.e., 1.3 million shares, based on the minimum proceeds.

On December 25, 2014, Mr. Dhoot and Mr. Graf exchanged emails to reflect the general agreement of the parties on valuation and structure, based on extensive discussions over the prior weeks.

While no formal meetings of the Silver Eagle Board of Directors were held, other than for consents for certain administrative actions, Silver Eagle executives kept James McNamara, Ernest Del and Eli Baker, the independent directors of Silver Eagle, apprised of the status of the various prospective transactions under consideration, including the Transaction, on a regular basis. Mr. Baker was closely involved through the process, participating in numerous conference calls and being copied on numerous emails.

On December 22, 2014, Silver Eagle held a board meeting to discuss the potential transaction in detail, with all board members present. On December 29, 2014, James Graf sent each member of the board of directors the draft Contribution Agreement and F-4 for their review, and Silver Eagle executives discussed the Contribution Agreement and F-4 with each of the independent directors.

On December 29, 2014, the full Board of Directors unanimously approved the signing of the Contribution Agreement, publicly announcing the transaction and filing the Contribution Agreement with the SEC and confidentially filing the F-4. Thereafter, on December 31, 2014, James Graf, on behalf of Silver Eagle, and Mr. Saurabh Dhoot, on behalf of Videocon d2h, signed the Contribution Agreement, effective as of that date.

Silver Eagle's Board of Directors' Reasons for the Approval of the Business Combination

On December 29, 2014, our board of directors unanimously (i) approved the Contribution Agreement and the transactions contemplated thereby, including, without limitation, the Warrant Amendment, and (ii) directed that the Contribution Agreement and Warrant Amendment to be submitted to our stockholders and warrant holders, respectively, for approval and adoption, and recommended that our stockholders and warrant holders approve and adopt Contribution Agreement and Warrant Amendment, respectively. Before reaching its decision, our board of directors reviewed the results of management's due diligence, which included:

- research on industry trends, content and other operating cost projections, and other industry factors;

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- extensive meetings and calls with Videocon d2h's management team and representatives regarding operations, company services, major vendors and financial prospects, among other customary due diligence matters;
- personal visits to Videocon d2h's headquarters in Mumbai, India and headend facility near Delhi, India;
- review of Videocon's material business contracts and certain other legal diligence;
- financial and accounting diligence; and
- creation of an independent financial model in conjunction with management of Videocon d2h.

Silver Eagle's board of directors considered a wide variety of factors in connection with its evaluation of the Business Combination. In light of the complexity of those factors, the Silver Eagle board of directors did not consider it practicable to, nor did it attempt to, quantify or otherwise assign relative weights to the specific factors it took into account in reaching its decision. Different individual members of its board of directors may have given different weight to different factors in their evaluation of the Transaction.

In the prospectus for Silver Eagle's IPO, Silver Eagle identified the following general criteria and guidelines that its management believed would be important in evaluating prospective target businesses, including the following.

- **Media and Entertainment Industry Targets.** Silver Eagle would seek to acquire a business involved in the media or entertainment industries, including providers of content. Silver Eagle believed its management's significant operating and deal-making experience and relationships with companies in this sector would give it a number of competitive advantages and present it with a substantial number of potential business targets. The factors Silver Eagle would consider included growth prospects, competitive dynamics, opportunities for consolidation, need for capital investment and barriers to entry. Silver Eagle would analyze the strengths and weaknesses of target businesses relative to their competitors. Silver Eagle would seek to acquire one or more businesses that demonstrate advantages when compared to their competitors, which may help to protect their market position and profitability.
- **High-Growth Markets.** Silver Eagle would seek out opportunities in faster-growing segments of developed markets and emerging international markets. Silver Eagle's management has extensive experience operating media businesses and leading transactions in international markets.
- **Business with Revenue and Earnings Growth Potential.** Silver Eagle would seek out one or more businesses that have multiple, diverse potential drivers of revenue and earnings growth, including but not limited to a combination of development, production, digital and distribution capabilities and balance sheet management. Silver Eagle would focus on assets that were currently undervalued or sub-optimally managed, including those undergoing debt or operational restructuring, where its management is well-positioned to unlock unrealized value.
- **Companies with Potential for Strong Free Cash Flow Generation.** Silver Eagle would seek one or more businesses that have the potential to generate strong and stable free cash flow.

In considering the Business Combination, Silver Eagle's board of directors concluded that Videocon d2h met all of the above criteria. In particular, the board considered the following positive factors, although not weighted or in any order of significance:

Media and Entertainment Industry. Videocon d2h is a leading direct-to-home service provider, an acquirer and distributor of entertainment content and works closely with channel distributors. Accordingly, Silver Eagle's management's significant operating and deal-making experience and relationships with companies in this space would provide Videocon d2h with a number of competitive advantages and may present it with a substantial number of additional business targets and relationships in this space to facilitate growth. Within the media and entertainment sector, Videocon d2h's growth prospects, competitive dynamics, opportunities for consolidation, limited need for capital investment and barriers to entry in the market were to be compelling compared to other opportunities Silver Eagle evaluated.

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High-Growth Markets. India's economic growth, reflected in higher per capita income and an increasing middle class, with greater disposable incomes, has provided a foundation for the growth of pay-TV services. In 2013, the industry added 5.4 million net new pay-TV subscribers, taking overall industry subscriber base to 135 million. Much of this growth has been driven by DTH, which had a 66% share of net new additions in 2013. Increasing purchasing power is expected to result in a higher number of TV homes in India. Pay-TV penetration of TV homes will also grow at a rate with increasing incidence of multiple TV set homes. Silver Eagle's management team has extensive experience operating media businesses and leading transactions in high growth international markets, including India. For example, Silver Eagle's Chairman and Chief Executive Officer, Harry E. Sloan, is the former Chief Executive Officer of Metro-Goldwyn-Mayer, Inc., or MGM. During his time there, MGM launched the MGM Channel in India and in many markets around the world. In addition, Mr. Sloan was Founder, Chairman and Chief Executive Officer of SBS Broadcasting, S.A., or SBS, which operated entirely outside the U.S. with substantial footprint in high growth emerging markets, and made a number of investments in fast growth emerging markets, including investing in the first private television station in Hungary, TV2, and one of the first television stations in Poland, TVN. Jeff Sagansky, Silver Eagle's President, was previously co-President of Sony Pictures Entertainment, and helped launch the Sony channels in India, Taiwan and the AXN channels in Asia, as well as channels in many markets around the world. James A. Graf, Silver Eagle's Chief Financial Officer, spent over 15 years as an investment banker living in Asia or working on transactions in Asia, where he led mergers and acquisitions, equity and debt financing transactions, including transactions in the media sector, in many Asian markets, including India.

Business with Revenue and Earnings Growth Potential. Silver Eagle believes that Videocon d2h has executed successfully and is one of the fastest growing DTH operators in the world in terms of subscriber additions. While primarily derived through subscription revenue today, Videocon d2h has the potential to expand revenue and earnings by providing differentiated content and other potential revenue streams.

Companies with Potential for Strong Free Cash Flow Generation. Silver Eagle believes that Videocon d2h has the potential for strong, stable cash flow now that it has achieved critical mass of subscribers. Now that Videocon d2h has reached this subscriber inflection point, each additional marginal customer added provides greater marginal income growth in addition to greater market scale in content acquisition and pricing strategies.

Experienced and Motivated Management Team. Videocon d2h's management team has significant experience, and the management team is expected to continue in their roles.

Based on the minimum Contribution Amount of \$200,850,000 and assumed transaction expenses, the Transaction values the current, pre-money equity of Videocon d2h at approximately \$603 million, without taking into account the possible earn-out for the benefit of Videocon d2h's current shareholders which would value the pre-money equity at approximately \$722 million. This represents a fair market value in excess of 80% of the assets held in Silver Eagle's trust account (excluding the deferred underwriting commissions and taxes payable on the income earned on the trust account), a requirement for an initial business combination under our amended and restated certificate of incorporation.

Although Silver Eagle's board of directors did not seek a third party valuation, and did not receive any report, valuation or opinion from any third party in connection with the Business Combination, the board of directors relied on Silver Eagle management's collective experience in the media industry and international and public markets transactions in constructing and evaluating financial models/projections and conducting valuations of businesses, as in the case of Videocon d2h.

The board of directors also gave consideration to the following negative factors described in the "Risk Factors" section of this F-4, including but not limited to the following, although not weighted or in any order of significance:

Videocon d2h may continue to incur losses

The Silver Eagle board of directors considered the fact that Videocon d2h has incurred losses for the past two fiscal years and may continue to incur losses in the future. The board decided that this risk would be mitigated by the cash being contributed by Silver Eagle in the transaction and Videocon d2h's potential to raise additional capital and become cash-flow positive.

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The risk that Silver Eagle's public stockholders would vote against the Business Combination Proposal or exercise their redemption rights

The Silver Eagle board of directors considered the risk that some of its public stockholders would vote against the Business Combination Proposal or decide to exercise their redemption rights, thereby depleting the amount of cash available in the trust account to an amount below the minimum required to consummate the Business Combination. The board concluded however, that this risk was substantially mitigated because the Principal Shareholders are not selling any shares in this transaction, which shows their confidence in the ongoing business and the valuation to the market. With respect to the vote, the fact that public stockholders may vote for the Business Combination Proposal while also exercising their redemption rights mitigates incentive for a public shareholder to vote against the Business Combination Proposal, especially to the extent that they hold public warrants which would be worthless if the Business Combination is not completed.

Our management and directors may have different interests in the Business Combination than the public stockholders

The board of directors considered the fact that members of our management and board of directors may have interests that are different from, or are in addition to, the interests of our stockholders generally, including the matters described under “— Certain Benefits of Silver Eagle’s Directors and Officers and Others in the Business Combination” below. However, our board of directors concluded that the potentially disparate interests would be mitigated because (i) these interests were disclosed in the initial public offering prospectus, (ii) these disparate interests would exist with respect to a business combination with any target company, and (iii) the Videocon d2h ADS's held by the Sponsor and our board of directors are locked up for a period of one year from closing of the Transaction.

Certain Benefits of Silver Eagle’s Directors and Officers and Others in the Business Combination

In considering the recommendation of our board of directors in favor of approval of the Business Combination, it should be noted that our directors and officers have interests in the Business Combination that are different from, or in addition to, your interests as a stockholder. These interests include, among other things:

- the right of the founders to hold Videocon d2h ADSs in connection with and following the Business Combination, subject to the lock-up agreements;
- the continuation of one director (Mr. Sloan) and two officers (Mr. Sloan and Mr. Sagansky) of Silver Eagle as directors, but not as officers, of the Videocon d2h;
- the repayment of loans made by, and the reimbursement of out-of-pocket expenses incurred by, certain officers or directors or their affiliates in the aggregate amount of approximately \$500,000; and
- the continued indemnification of current directors and officers of the Company and the continuation of directors’ and officers’ liability insurance after the Business Combination.

Potential Purchases of Public Shares or Public Warrants

In connection with the stockholder vote to approve the Transaction or the warrant holder vote to approve the Warrant Amendment Proposal, the Sponsor, Silver Eagle’s directors, officers, or advisors or their respective affiliates may privately negotiate transactions to purchase shares from stockholders who would have otherwise elected to have their shares redeemed in conjunction with a proxy solicitation pursuant to the proxy rules for a per-share pro rata portion of the trust account, or warrants from public warrant holders. None of Silver Eagle’s directors, officers or advisors or their respective affiliates will make any such purchases when they are in possession of any material non-public information not disclosed to the seller. Such a purchase of shares may include a contractual acknowledgement that such stockholder, although still the record holder of Silver Eagle’s public shares is no longer the beneficial owner thereof and therefore agrees not to exercise its redemption rights. In the event that the Sponsor, Silver Eagle’s directors, officers or advisors or their affiliates purchase shares in privately negotiated transactions from public stockholders who have already elected to exercise their redemption rights, such selling stockholders would be required to revoke their prior elections to redeem their

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shares. Any such privately negotiated purchases may be effected at purchase prices that are in excess of the per-share pro rata portion of the trust account. The purpose of such share purchases would be to increase the likelihood of obtaining stockholder approval of the Transaction or, where the purchases are made by the Sponsor, our directors, officers or advisors or their respective affiliates, to satisfy the closing condition in the Contribution Agreement that the Contribution Amount is at least \$200,850,000, and the purpose of any such warrant purchases would be to increase the likelihood that the Warrant Amendment Proposal is approved.

Regulatory Approvals Required for the Transaction

In order to consummate the Transaction, Videocon d2h will be required to obtain prior approvals from the MIB for (i) issuance of equity shares underlying the Videocon d2h ADSs; and (ii) security clearances in respect of Mr. Jeff Sagansky and Mr. Harry E. Sloan (and the alternate directors for each, if any), in respect of their appointment on the Board of Directors of Videocon d2h, as required under the Consolidated FDI Policy issued by the Government of India (effective from April 17, 2014 and as amended from time to time).

Redemption Rights

Pursuant to Silver Eagle's amended and restated certificate of incorporation, holders of public shares may elect to have their shares redeemed for cash at the applicable redemption price per share calculated in accordance with its amended and restated certificate of incorporation. As of September 30, 2014, this would have amounted to approximately \$9.99 per share assuming estimated \$130,000 of taxes payable. If a holder exercises its redemption rights, then such holder will be exchanging its shares of common stock for cash and will no longer own shares of Silver Eagle. Such a holder will be entitled to receive cash for its public shares only if it properly demands redemption and delivers its shares (either physically or electronically) to Silver Eagle's transfer agent in accordance with the procedures described herein. It is a condition to closing under the Contribution Agreement, however, that the Contribution Amount is at least \$200,850,000. Each redemption of public shares by public stockholders will decrease the amount in the trust account. Therefore, in order to satisfy the condition to closing, the maximum redemption threshold is the amount that would allow the Contribution Amount to be \$200,850,000. If, however, redemptions by public stockholders cause the Contribution Amount to be less than \$200,850,000, then Videocon s2h will not be required to consummate the Transaction, although Videocon d2h may, in its sole discretion, choose to waive this condition. In the event that Videocon d2h waives this condition, Silver Eagle does not intend to seek additional shareholder approval or to extend the time period in which its public stockholders can exercise their redemption rights. In no event, however, will Silver Eagle redeem public shares in an amount that would cause its net tangible assets to be less than \$5,000,001. See the section entitled "*Special Meeting of Silver Eagle Stockholders and Special Meeting of Silver Eagle Public Warranholders — Redemption Rights*" for the procedures to be followed if you wish to redeem your shares for cash.

Appraisal Rights

Appraisal rights are not available to holders of shares of Silver Eagle common stock or warrants in connection with the Transaction.

Listing of Videocon d2h ADSs

Videocon d2h intends to apply to list its ADSs on NASDAQ under the symbol "VDTH." The listing of Videocon d2h ADSs on NASDAQ is a condition to the closing of the Transaction.

Vote Required for Approval

Approval of this proposal is a condition to the completion of the Transaction. If this proposal is not approved, the Transaction will not occur. Approval of this proposal is also conditioned upon the approval of the Plan of Dissolution.

The Contribution Agreement will be approved if the holders of at least a majority of the outstanding shares of Silver Eagle common stock vote "FOR" the Business Combination Proposal.

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As of the record date, Silver Eagle's founders have agreed to vote the founder shares and any other shares held by them in favor of the Business Combination Proposal. The founders have not purchased any public shares.

Recommendation of the Board

SILVER EAGLE'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT ITS STOCKHOLDERS VOTE "FOR" THE BUSINESS COMBINATION PROPOSAL.

PROPOSAL NO. 2 — APPROVAL OF THE PLAN OF DISSOLUTION

General

Silver Eagle is seeking stockholder approval of the Plan of Dissolution proposal at the special meeting. The dissolution of Silver Eagle, including the Plan of Dissolution was approved by Silver Eagle's board of directors on March 2, subject to (i) the consummation of the Transaction and (ii) receipt of stockholder approval. The following summary describes the material provisions of the Plan of Dissolution. This summary does not purport to be complete and may not contain all of the information about the Plan of Dissolution that is important to you. The Plan of Dissolution is attached to this proxy statement/prospectus as Annex D and is incorporated by reference into this proxy statement/prospectus, and Silver Eagle encourages you to read it carefully in its entirety for a more complete understanding of the Plan of Dissolution. By approving the Plan of Dissolution, Silver Eagle's stockholders will be approving the dissolution of Silver Eagle under Section 275 of the DGCL.

The Plan of Dissolution Proposal and the Business Combination Proposal are each conditioned upon the other.

Videocon d2h will play no role in the Plan of Dissolution and has no responsibility for the Plan of Dissolution. The information contained in this proxy statement/prospectus under the heading "*Proposal No. 2 — Approval of the Plan of Dissolution*" and all other information in this proxy statement/prospectus relating to the Plan of Dissolution is the responsibility of Silver Eagle. All such information constitutes part of the proxy statement of Silver Eagle but does not constitute part of the prospectus of Videocon d2h.

Principal Provisions of the Plan of Dissolution

Pursuant to the terms of the Contribution Agreement, upon the closing of the Transaction, Silver Eagle will transfer substantially all of its assets to Videocon d2h. At or promptly following the closing of the Transaction, Silver Eagle expects that it will:

- pay all outstanding amounts due to former Silver Eagle stockholders who properly exercised their redemption rights in connection with the vote to approve the Business Combination Proposal;
- pay all outstanding amounts due to former Silver Eagle warrant holders, provided that the Warrant Amendment Proposal has been approved;
- distribute to Silver Eagle stockholders the Videocon d2h ADSs in proportion to their holdings in Silver Eagle pursuant to the Business Combination Proposal;
- pay all outstanding transaction fees and expenses payable to its professional advisors upon consummation of the Transaction; and then
- file a certificate of dissolution with the Secretary of State of the State of Delaware.

If the Plan of Dissolution proposal is approved, Silver Eagle's board of directors will take such actions as it deems, in its absolute discretion, necessary, appropriate or advisable to effect Silver Eagle's liquidation and dissolution. This process will likely include the steps set forth below.

Certificate of Dissolution

A certificate of dissolution will be filed with the Secretary of State of the State of Delaware pursuant to Section 275 of the DGCL, though the timing of such filing is within the absolute discretion of Silver Eagle's board of directors. Silver Eagle's dissolution will become effective, in accordance with Section 275 of the DGCL, upon proper filing of the certificate of dissolution with the Secretary of State or upon such later effective date as may be specified in the certificate of dissolution, which is referred to as the dissolution date, but in no event later than ninety days after the filing. Pursuant to the DGCL, Silver Eagle will continue to exist for three years after the dissolution date or for such longer period as the Delaware Court of Chancery shall direct, for the purpose of prosecuting and defending suits, whether civil, criminal or administrative, by or against it, and enabling Silver Eagle to gradually settle and close its business, to dispose of and convey its property, to discharge its liabilities and to distribute to its stockholders any remaining assets, but not for the purpose of continuing the business for which Silver Eagle was organized. Moreover, Silver Eagle will continue after such period for the purpose of any then-pending legal actions.

Cessation of Business Activities

From and after the dissolution date, Silver Eagle will not engage in any business activities except to the extent necessary to preserve the value of its assets, wind-up its business and affairs, and distribute its assets in accordance with the Plan of Dissolution.

The Plan of Dissolution provides that Silver Eagle's board of directors will liquidate Silver Eagle and distribute the assets of Silver Eagle in accordance with Sections 275 and 281(b) of the DGCL, which provide for Silver Eagle to:

- pay or make reasonable provision to pay all claims and obligations including all contingent, conditional or unmatured contractual claims known to Silver Eagle;
- make such provision as will be reasonably likely to be sufficient to provide compensation for any claim against Silver Eagle which is the subject of any pending action, suit or procedure to which Silver Eagle is a party; and
- make such provision as will be reasonably likely to be sufficient to compensate for claims that have not been made known to Silver Eagle or that have not arisen but that, based on facts known to Silver Eagle, are likely to arise or to be known within ten years after the dissolution date.
- after the payments are made pursuant to the foregoing, if there are any assets remaining, distribute to its stockholders, in accordance with the liquidation preferences of the Silver Eagle's amended and restated certificate of incorporation, as amended through the dissolution date, all remaining assets, including all available cash, including the cash proceeds of any sale, exchange or disposition, except such cash, property or assets as are required for paying or making reasonable provision for the claims and obligations of Silver Eagle.

Any such claims shall be paid in full and any such provision for payment shall be made in full if there are sufficient assets. If there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims of equal priority, ratably to the extent of assets available. Any remaining assets shall be distributed to holders of record of Silver Eagle common stock.

Notwithstanding the foregoing, Silver Eagle's board of directors may elect to wind up Silver Eagle's affairs in accordance with the provisions of Sections 280 and 281(a) of the DGCL.

Silver Eagle may, from time to time, make liquidating distributions of the remaining cash and assets of Silver Eagle not owed or held as security for creditors or held in reserve, if any, in cash or in-kind, to the holders of record of Silver Eagle common stock at the close of business on the dissolution date. Such liquidating distributions, if any, will be made to the holders of Silver Eagle common stock on a pro rata basis. All determinations as to the time for and the amount and kind of distributions will be made by Silver Eagle's board of directors in its absolute discretion, so long as the board of directors does not distribute amounts owed to creditors or reserved as provision for future claims pursuant to Section 281(b) or required to be held as security for creditors by the Delaware Court of Chancery. No assurances can be given that available cash will be adequate to provide for Silver Eagle's obligations, liabilities, expenses and claims, or to make any distributions to stockholders.

Potential Liability of Stockholders if Reserves Insufficient

If Silver Eagle fails to pay its expenses and liabilities, creditors could assert claims against each stockholder who has received a distribution or dividend for payment of the shortfall, up to the amounts received by the stockholder in distributions or dividends from Silver Eagle.

If a court holds at any time that Silver Eagle has failed to make adequate provisions for its expenses and liabilities or if the amount ultimately required to be paid in respect of Silver Eagle's expenses and liabilities exceeds the amounts set aside for such liabilities, Silver Eagle's creditors could seek an injunction against the making of distributions on the grounds that the amounts distributed are needed to provide for the payment of Silver Eagle's expenses and liabilities. Any such action could delay or substantially diminish the amount of any cash distributions to stockholders.

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Silver Eagle will close its stock transfer books and discontinue recording transfers of Silver Eagle's securities on the dissolution date, at which time Silver Eagle's securities, and certificates evidencing the securities of Silver Eagle, will not be assignable or transferable on Silver Eagle's books or electronically through DTC.

Under the Plan of Dissolution, Silver Eagle's board of directors may modify, amend or abandon the Plan of Dissolution, notwithstanding stockholder approval, to the extent permitted by the DGCL. However, any such action may cause Silver Eagle to be in breach of its obligations under the Contribution Agreement and may also significantly alter the tax consequences of the Transaction and subsequent liquidation and dissolution of Silver Eagle to Silver Eagle's stockholders. Silver Eagle will not amend or modify the Plan of Dissolution under circumstances that would require additional stockholder solicitations under the DGCL or the federal securities laws without complying with the DGCL and the federal securities laws.

Liquidating Trust

Although no decision has been made, if deemed advisable by Silver Eagle's board of directors for any reason (and in particular in order to effect a dissolution and liquidation for tax purposes within twelve months of the consummation of the Transaction so as to comply with the requirements of Section 368(a)(1)(C) of the Code), Silver Eagle may, following the filing of the certificate of dissolution, transfer its assets to one or more trusts established for the benefit of Silver Eagle's stockholders, subject to the claims of Silver Eagle's creditors or directly for the benefit of certain creditors. Thereafter, these assets will be sold or distributed on terms approved by the trustees.

Silver Eagle's board of directors is authorized to appoint one or more trustees of the liquidating trust and to cause Silver Eagle to enter into a liquidating trust agreement with the trustee(s) on such terms and conditions as may be approved by Silver Eagle's board of directors. Stockholder approval of the Plan of Dissolution will also constitute approval of any such appointment and any liquidating trust agreement. The formation and use of a liquidating trust may result in tax consequences to Silver Eagle's stockholders. See "*Material U.S. Federal Income Tax Considerations*."

Cancellation of Stock

The distribution to Silver Eagle's stockholders pursuant to Section 281(b) of the DGCL shall be in complete cancellation of all of the outstanding shares of stock of the Company. From and after the dissolution date, and subject to applicable law, each holder of shares of capital stock of Silver Eagle shall cease to have any rights in respect thereof, except the right to receive distributions, if any, pursuant to and in accordance with the Plan of Dissolution.

Indemnification and Plan of Dissolution Expenses

Under the Plan of Dissolution, Silver Eagle will continue to indemnify its officers, directors, employees, agents and liquidating trustee, if any, in accordance with its certificate of incorporation, bylaws, any contractual arrangements and applicable law for actions taken in connection with the Plan of Dissolution and the winding up of Silver Eagle's affairs. Any liquidating trust the board of directors approves pursuant to the Plan of Dissolution shall also indemnify its trustees, employees, agents and representatives to the maximum extent permissible by law but in no event greater than the extent the company may currently indemnify its officers, directors, employees, agents and representatives. Silver Eagle intends to maintain its current directors' and officers' insurance policy through the closing of the Transaction and the date of dissolution and to obtain runoff coverage for at least an additional six years after filing the certificate of dissolution. Silver Eagle's board of directors or trustee, as applicable, in its absolute discretion, is authorized to obtain and maintain insurance as may be necessary, appropriate or advisable to cover such indemnification obligations. See "*Proposal No. 2 — Approval of the Plan of Dissolution — Silver Eagle's Conduct Following the Dissolution Date*" for additional information.

In connection with and for the purpose of implementing and assuring completion of the Plan of Dissolution, Silver Eagle may, in the absolute discretion of its board of directors or its liquidating trustee, pay any brokerage, agency, professional and other fees and expenses of persons rendering services to Silver Eagle in connection with the collection, sale, exchange or other disposition of Silver Eagle's remaining property and assets after the closing of the Transaction and the implementation of the Plan of Dissolution.

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Authority of Directors and Officers Following the Dissolution Date

Silver Eagle expects that the current members of the board of directors and its officers (or subsets thereof) will continue in their positions for the purposes of winding up the business and affairs of Silver Eagle until such time as their services are no longer necessary.

Following the dissolution date, Silver Eagle's activities will be limited to winding up its affairs, taking such actions as may be necessary to preserve the value of its assets (including prosecuting and defending suits by and against Silver Eagle) and distributing its assets in accordance with the Plan of Dissolution. Silver Eagle will seek to distribute or liquidate all of its assets in such manner and upon such terms as its board of directors determines to be in the best interests of Silver Eagle's creditors and stockholders.

Silver Eagle's board of directors and its remaining officers will oversee the dissolution and liquidation for a period of time following the closing of the Transaction. The approval of the Plan of Dissolution will also authorize, without further stockholder action, Silver Eagle's board of directors to do and perform, or to cause its officers to do and perform, any and all acts and to make, execute, deliver or adopt any and all agreements, resolutions, conveyances, certificates and other documents of every kind that our board of directors deems necessary, appropriate or desirable, in the absolute discretion of the board of directors, to implement the Plan of Dissolution and the transactions contemplated thereby, including, without limitation, all filings or acts required by any federal, state or local law or regulation to wind down its affairs. Silver Eagle does not expect its remaining directors and officers to receive salary and benefits during this period.

Reporting Requirements

Whether or not Silver Eagle's Plan of Dissolution is approved, Silver Eagle has an obligation to continue to comply with the applicable reporting requirements of the Exchange Act, even if compliance with such reporting requirements is economically burdensome. If the Plan of Dissolution is approved by Silver Eagle's stockholders, after filing its certificate of dissolution, in order to curtail expenses, Silver Eagle expects to seek relief from the SEC from the reporting requirements under the Exchange Act (other than with respect to the filing of current reports on Form 8-K), but there can be no assurances that such relief will be granted by the SEC.

Trading of Silver Eagle's Securities

Silver Eagle currently intends to close its securities transfer books on the dissolution date and, at such time, cease recording securities transfers (other than transfers by will, intestate succession or operation of law) and issuing securities certificates (other than replacement certificates). Accordingly, it is expected that trading in Silver Eagle's securities will cease on such date.

Silver Eagle's securities are currently traded on the OTCQB. Silver Eagle will notify the OTCQB to cease quotation of Silver Eagle's securities on and after the dissolution date; provided that Silver Eagle's securities continue to be traded on the OTCQB as of such date.

Silver Eagle intends to make a public announcement of the anticipated filing date of the certificate of dissolution at least three business days in advance of the filing.

Regulatory Approvals

No United States federal or state regulatory requirements must be complied with or approvals obtained in connection with the Plan of Dissolution, other than the requirements of the DGCL.

Appraisal Rights

Under Delaware law, Silver Eagle's stockholders are not entitled to appraisal rights for their securities in connection with the transactions contemplated by the Plan of Dissolution or to any similar rights of dissenters under Delaware law.

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Vote Required for Approval

The affirmative vote of holders of a majority of the outstanding shares of Silver Eagle common stock is required to approve the Plan of Dissolution. Broker non-votes, abstentions or the failure to vote on the Plan of Dissolution Proposal will have the same effect as a vote against this proposal. Approval of the Plan of Dissolution is condition upon the approval of the Business Contribution Proposal.

Recommendation of the Board

SILVER EAGLE’S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT ITS STOCKHOLDERS VOTE “FOR” THE APPROVAL OF THE DISSOLUTION OF SILVER EAGLE, INCLUDING THE PLAN OF DISSOLUTION.

PROPOSAL NO. 3 — THE ADJOURNMENT PROPOSAL

The Adjournment Proposal, if adopted, will allow Silver Eagle's board of directors to adjourn the special meeting of stockholders to a later date or dates. The Adjournment Proposal will only be presented to stockholders if the Company determines that there are not sufficient votes to approve one or more proposals presented at the special meeting of stockholders or the special meeting of warrant holders or that one or more closing conditions under the Contribution Agreement will not be satisfied. In no event will Silver Eagle's board of directors adjourn the special meeting of stockholders or consummate the Transaction beyond the date by which it may properly do so under its amended and restated certificate of incorporation and Delaware law.

Consequences if the Adjournment Proposal is Not Approved

If the Adjournment Proposal is not approved by Silver Eagle stockholders, Silver Eagle's board of directors may not be able to adjourn the special meeting of stockholders to a later date, if the Company determines that there are not sufficient votes to approve one or more proposals presented at either the special meeting of stockholders or the special meeting of warrant holders or that one or more closing conditions under the Contribution Agreement will not be satisfied.

Required Vote

Adoption of the Adjournment Proposal requires the affirmative vote of a majority of the votes cast thereon at the special meeting of stockholders. Adoption of the Adjournment Proposal is not conditioned upon the adoption of any of the other proposals.

Recommendation of the Board

SILVER EAGLE'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE ADJOURNMENT PROPOSAL.

PROPOSALS TO BE CONSIDERED BY THE PUBLIC WARRANTHOLDERS

This section of the proxy statement/prospectus describes the material provisions of the Warrant Amendment, but does not purport to describe all of the terms of the Warrant Amendment. This summary is qualified in its entirety by reference to the Warrant Amendment, a copy of which is attached as Annex E hereto.

THE WARRANT AMENDMENT PROPOSAL

In connection with the proposed Transaction, public warrant holders are being asked to approve and consent to an amendment (the “Warrant Amendment”) to the terms of the warrant agreement (the “Warrant Amendment Proposal”). The approval of the Warrant Amendment Proposal is not a condition to the consummation of the Transaction.

The proposed Warrant Amendment provides that, upon the consummation of the Transaction, each of Silver Eagle’s outstanding warrants, which entitle the holder thereof to purchase one-half of one share of Silver Eagle common stock, will be exchanged for cash in the amount of \$1.00.

If the requisite public warrant holders vote in favor of the Warrant Amendment Proposal and Silver Eagle and Videocon d2h complete the Transaction, then the Warrant Amendment will be binding on all warrant holders, including warrant holders that did not vote in favor of the Warrant Amendment Proposal, the warrant agreement will be amended, and each outstanding warrant will be exchanged for cash in the amount of \$1.00 upon the consummation of the Transaction. In connection with the consummation of the Transaction, the Sponsor and Dennis A. Miller have agreed to forfeit all of Silver Eagle’s private placement warrants to Silver Eagle for no consideration. Accordingly, the private placement warrants will not be eligible to be exchanged for cash pursuant to the Warrant Amendment.

Certain Effects of the Approval of the Warrant Amendment Proposal

If the Warrant Amendment Proposal is approved, all warrants will be subject to the terms of the Warrant Amendment whether or not a given holder voted in favor of the Warrant Amendment Proposal.

Public warrant holders should note that there may be income tax consequences in connection with the Warrant Amendment. For a discussion of the tax consequences of the Warrant Amendment, please see the section entitled “*Material U.S. Federal Income Tax Considerations.*”

Vote Required for Approval

Pursuant to Section 9.8 of the warrant agreement, Silver Eagle and the warrant agent may amend the warrant agreement with the written consent of the registered holders of 65% of the public warrants voting in favor of the Warrant Amendment Proposal. Pursuant to the terms of the warrant agreement, the Sponsor and Dennis A. Miller are not permitted to vote the private placement warrants in favor of the Warrant Amendment Proposal unless the registered holders of 65% of the public warrants vote in favor of the Warrant Amendment Proposal. None of Silver Eagle’s founders own any public warrants. As a result, in order for the Warrant Amendment Proposal to be approved, 21,125,000 public warrants must vote in favor of the Warrant Amendment Proposal.

Recommendation of the Board

SILVER EAGLE’S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT PUBLIC WARRANTHOLDERS VOTE “FOR” THE APPROVAL OF THE WARRANT AMENDMENT PROPOSAL.

THE WARRANTHOLDER ADJOURNMENT PROPOSAL

The Warrantholder Adjournment Proposal, if adopted, will allow Silver Eagle's board of directors to adjourn the special meeting of warrant holders to a later date or dates to permit further solicitation of proxies. The Warrantholder Adjournment Proposal will only be presented to public warrant holders in the event, based on the tabulated votes, there are not sufficient votes at the time of the special meeting of warrant holders to approve the Warrant Amendment Proposal presented at the special meeting of Warrantholders. In no event will Silver Eagle's board of directors adjourn the special meeting of warrant holders or consummate the Transaction beyond the date by which it may properly do so under its amended and restated certificate of incorporation and Delaware law.

Consequences if the Warrantholder Adjournment Proposal is Not Approved

If the Warrantholder Adjournment Proposal is not approved by Silver Eagle stockholders, Silver Eagle's board of directors may not be able to adjourn the special meeting of warrant holders to a later date in the event, based on the tabulated votes, there are not sufficient votes at the time of the special meeting of warrant holders to approve the Warrant Amendment Proposal.

Required Vote

Adoption of the Warrantholder Adjournment Proposal requires the affirmative vote of a majority of the public warrants as of the record date represented in person or by proxy at the special meeting of warrant holders and entitled to vote thereon. Adoption of the Warrantholder Adjournment Proposal is not conditioned upon the adoption of any of the other proposals.

Recommendation of the Board

SILVER EAGLE'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT WARRANTHOLDERS VOTE "FOR" THE APPROVAL OF THE WARRANTHOLDER ADJOURNMENT PROPOSAL.

USE OF PROCEEDS

Videocon d2h estimates that between approximately \$200.85 and \$273.35 million will be made available to it as a result of the Transaction. The total amount received will depend on, among other things, the total number of Silver Eagle shares to be redeemed as discussed under “Special Meeting of Silver Eagle Stockholders and Special Meeting of Silver Eagle Warranholders — Redemption Rights.” Videocon d2h expects to use at least \$100,000,000 to repay certain outstanding indebtedness. Information regarding the maturities and interest rates of outstanding indebtedness is detailed in “Videocon d2h Operating and Financial Review and Prospects — Financial Condition, Liquidity and Sources of Capital.” Videocon d2h will use the balance of the proceeds for its general corporate purposes.

ACCOUNTING TREATMENT

Videocon d2h will issue 121.48 – 151.0 million equity shares, represented by ADSs, for an aggregate purchase price of between US\$200.85 and US\$273.35 million in connection with the Transaction. For accounting purposes Videocon d2h will treat the Transaction as the issue of its equity shares for cash.

UNAUDITED PRO FORMA VIDEOCON D2H FINANCIAL INFORMATION

The following unaudited Videocon d2h pro forma financial information, which is referred to as the pro forma financial information, shows the pro forma effect of the consummation of the Transaction between Videocon d2h and Silver Eagle, for statement of financial position purposes, as if it had occurred on September 30, 2014 and for statement of operations purposes for both the year ended March 31, 2014 and the six months ended September 30, 2014 as if it had occurred on April 1, 2013. The pro forma financial information should be read in conjunction with the historical financial statements of Videocon d2h for its fiscal year ended March 31, 2014 and the six months ended September 30, 2014, which are included elsewhere in this proxy statement/prospectus. The pro forma financial information should also be read in conjunction with the notes set forth under “Notes to Unaudited Pro Forma Financial Information.”

The financial statements of Videocon d2h and the pro forma financial information have been prepared in accordance with IFRS as issued by the IASB, in its reporting currency of Indian rupees (or “Rs.”).

To effect the Business Combination Proposal, the equity purchase agreement provides for an increase in the share capital of Videocon d2h in exchange for a cash contribution from Silver Eagle. Under the terms of the Contribution Agreement, upon completion of the Transaction, Silver Eagle will exchange cash for newly issued Videocon d2h shares in the form of American Depositary Shares (“ADS”). These will be distributed to Silver Eagle equity holders in accordance with their proportionate share of Silver Eagle prior to the Transaction (but after taking redemptions into consideration).

The principal financial effects shown by the pro forma financial information are the recording of the increase in capital of Videocon d2h and the cash obtained from the Transaction. Videocon d2h is not obtaining a business through the Transaction, as the nature of the Transaction is a cash infusion in exchange for equity interest being issued. The shareholders of Videocon d2h prior to the consummation of the Transaction will retain the largest portion of the voting rights of Videocon d2h, and the ADS holders will not collectively have the ability to elect or appoint a majority of the members of the governing board of Videocon d2h. The makeup of the senior management of Videocon d2h will be dominated by the senior management of Videocon d2h prior to the consummation of the Transaction. As such, there is no change of control of Videocon d2h. No intangible assets or goodwill will be recognized as a result of the accounting for the Transaction.

Videocon d2h intends to use \$100 million or Rs.6,163 million, based on the dollar to rupee exchange rate of 61.6300 as of February 27, 2015, of the proceeds to repay certain outstanding indebtedness. The financial effects for the repayment of debt obligations have not been included in the pro forma adjustments, as no definitive agreement has been reached on facilities to be paid and the timing of those payments. However, as management’s intention is that these funds are to be used for debt repayment, these funds will be reclassified into restricted cash.

Several issuances are being contemplated by Videocon d2h in addition to the issuance of exchange for the Contribution. These include:

- a) ESOP 2014 Plan: As discussed elsewhere in this proxy statement/prospectus, upon receipt of the approval of the MIB, Videocon d2h expects to complete the allotment of 4,000,000 equity shares to the Videocon d2h Employees Welfare Trust, in accordance with the ESOP 2014. The ESOP 2014 plan is conditional on the consummation of the Transaction and therefore its financial statement impacts are provided in the pro forma financial statements. The impacts of this issuance are included within the pro forma statement of operations but not within the statement of financial position as no shares would have vested at the date of the Transaction.
- b) Shareholder earn out: The current shareholders of Videocon d2h will be entitled to be issued additional equity shares of Videocon d2h, by way of a bonus issue of shares (or such other form of share issue as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian Laws, following the closing, subject to the achievement of certain ADS price targets for a specified period following the closing. The shares to be issued under this earn-out are 46,720,000 equity shares, which is equivalent to 11.68 million Videocon d2h ADSs. Though the terms of such issuance have not been finalized, we have provided a range of potential

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impacts of these shares in Note 6 to the pro forma financial information below. Actual results of the Transaction are expected to differ from the pro forma based on the finalized terms and conditions of these issuance by Videocon d2h.

- c) Sponsor earn out: Under the Contribution Agreement, following the closing of the Transaction, Videocon d2h is required to issue the Sponsor, by way of a bonus issue of shares (or such other form of share issue as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian Laws, an additional 1.3 million ADSs increasing ratably to a maximum of an additional 2.0 million ADSs, based on the applicable actual Contribution Amount contributed by Silver Eagle to Videocon d2h. Though the terms of such issuance have not been finalized, we have provided a range of potential impacts of these shares in Note 6 to the pro forma financial information below. Actual results of the Transaction are expected to differ from the pro forma based on the finalized terms and conditions of these issuance by Videocon d2h.
- d) Issuance to Executive: Videocon d2h shall adopt a stock option plan, in accordance with applicable law, granting Mr. Saurabh Dhoot stock options at closing which shall be exercisable, subject to the achievement of certain ADS price targets for a specified period following the closing, to receive 2,800,000 equity shares of Videocon d2h, equivalent to 700,000 Videocon d2h ADSs. The terms and form of such issuance has not been finalized and therefore any impact of such issuance cannot be determined for presentation within the pro forma financial information. Actual results of the Transaction are expected to differ from the pro forma based on the finalized terms and conditions of this issuance by Videocon d2h.

The pro forma financial information solely reflects Videocon d2h's financial statements in contemplation with the proposed transaction and does not portray Silver Eagle's financial information. Given that the Transaction will not result in a combined entity, presenting the Transaction in such a manner may be misleading to investors. Silver Eagle will be dissolved in accordance with the Plan of Dissolution Proposal. As of the close of the Transaction, Silver Eagle will no longer have active operations and shareholders of Silver Eagle will have become shareholders of Videocon d2h. For these reasons, no pro forma information for Silver Eagle is reflected. Further, while the financial statements of Silver Eagle have been prepared in accordance with U.S. GAAP, no adjustments to conform U.S. GAAP to IFRS have been necessary, as the operations of Silver Eagle have been limited and no pro forma information of Silver Eagle is reflected within the pro forma financial information for the reasons as described above.

The pro forma financial information is presented for illustrative purposes only and, therefore, does not purport to represent what the actual results of operations or financial condition of the company would have been if the Transaction had occurred on the dates assumed, and it is not necessarily indicative of the company's future operating results or financial position. In this regard, the pro forma financial information does not give effect to any benefits that may be derived from the company's growth projects or expansions resulting from the cash proceeds received.

Videocon d2h estimates that between approximately \$200.85 million and \$273.35 million will be made available to it as a result of the Transaction, or between approximately Rs.12.4 billion and Rs.16.8 billion based on the prevailing dollar to rupee exchange rate of 61.6300 at February 27, 2015. As stated in the terms of the Business Combination Proposal, this represents the transfer of cash from Silver Eagle to Videocon d2h after giving effect to transaction expenses, amounts used to pay Silver Eagle stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal, payments to warrant holders (if the Warrant Amendment Proposal is approved), and reserves for liquidation expenses, collectively known as "Transaction Expenses."

The minimum redemption and maximum redemption scenarios are presented in the following pro forma information as follows:

- *Assuming Minimum Redemption:* This presentation assumes that no SEAC stockholders exercise their redemption rights. This assumption presumes Transaction Expenses of \$51.7 million or Rs.3.2 billion.

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- *Assuming Maximum Redemption:* This presentation assumes that SEAC stockholders holding 7,387,387 of the SEAC's public shares exercise their redemption rights and that such shares are redeemed for their pro rata share (\$9.99 per share) of the funds in the trust account. This assumption presumes Transaction Expenses of \$50.4 million or Rs.3.1 billion.

The \$200.85 million estimate represents the results of the maximum redemption, which assumes that the Silver Eagle shareholders have elected to redeem the number of shares that results in the cash transferred to Videocon d2h of \$200.85 million necessary for the Transaction to occur in accordance with the terms of the Business Combination Proposal (referred to as the "maximum redemption" scenario). The \$273.35 million estimate represents the proposed maximum aggregate offering price, which assumes the minimum redemptions by Silver Eagle shareholders (referred to as the "minimum redemption" scenario). Both the minimum and maximum redemption scenarios include the impacts of the 2014 ESOP plan.

This pro forma information is subject to risks and uncertainties, including those discussed in the section of this proxy statement/prospectus titled "Risk Factors."

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The following table sets forth the unaudited condensed pro forma statement of financial position at September 30, 2014 (expressed in Rs. millions, except share and per share data) giving effect to the Business Combination Proposal as if it had occurred at September 30, 2014.

**UNAUDITED PRO FORMA CONDENSED VIDEOCON D2H
STATEMENT OF FINANCIAL POSITION**

Unaudited Pro Forma Statement of Financial Position

As of September 30, 2014

<i>(millions of Indian rupees)</i>	(historic)	Pro Forma Adjustments (minimum)	Notes	Pro Forma (minimum)	Pro Forma Adjustments (maximum)	Notes	Pro Forma (maximum)
ASSETS							
Non-current Assets							
Property, Plant and equipment & Capital Work-in-Progress	24,558			24,558			24,558
Intangible Assets	1,140			1,140			1,140
Other Financial Assets	1,776			1,776			1,776
Deferred Tax Assets	7,014			7,014			7,014
Total non-current assets	34,488	—		34,488	—		34,488
Current Assets							
Inventory	445			445			445
Trade Receivables	2			2			2
Other Financial Assets	892			892			892
Other Non-Financial Assets	1,133			1,133			1,133
Cash and cash equivalents	115	16,847	(i)		12,378	(ii)	
		(6,163)	(iii)	10,799	(6,163)	(iii)	6,330
Restricted cash	—	6,163	(iii)	6,163	6,163	(iii)	6,163
Total current assets	2,587	16,847		19,434	12,378		14,965
Total Assets	37,075	16,847		53,922	12,378		49,453
EQUITY AND LIABILITIES							
Equity							
Share Capital	2,420	1,510	(i)	3,930	1,215	(ii)	3,635
Share Premium	5,840	15,337	(i)	21,177	11,164	(ii)	17,004
Retained Earnings	(15,745)			(15,745)			(15,745)
Total Equity	(7,485)	16,847		9,362	12,378		4,893
Liabilities							
Non-current Liabilities							
Long-term borrowings	—			—			—
Other Non-Financial Liabilities	2,840			2,840			2,840
Post employment benefits	35			35			35
Other employment benefits	23			23			23
Total non-current liabilities	2,898	—		2,898	—		2,898
Current Liabilities							
Short-term borrowings	2,250			2,250			2,250
Trade Payable	1,855			1,855			1,855
Other Non-Financial Liabilities	7,789			7,789			7,789
Other Financial Liabilities	29,762			29,762			29,762
Post employment benefits	2			2			2
Other employment benefits	4			4			4
Total current liabilities	41,662	—		41,662	—		41,662
Total Liabilities	44,560	—		44,560	—		44,560
Total equity and liabilities	37,075	16,847		53,922	12,378		49,453

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The following table sets forth unaudited condensed pro forma results of operations for the six months ended September 30, 2014 (expressed in millions of Rs., except share and per share data) giving effect to the proposed transaction as if it had occurred at April 1, 2013.

**UNAUDITED PRO FORMA CONDENSED VIDEOCON D2H RESULTS OF
OPERATION THE SIX MONTHS ENDED SEPTEMBER 30, 2014**

**Unaudited Pro Forma Results of Operations
For the six months ended September 30, 2014**

<i>(millions of Indian rupees)</i>	(historic)	Pro Forma Adjustments (minimum)	Notes	Pro Forma (minimum)	Pro Forma Adjustments (maximum)	Notes	Pro Forma (maximum)
INCOME							
Revenue from operations	11,108			11,108			11,108
EXPENSE							
Operating expense	6,471			6,471			6,471
Employee benefits expense	488	589	(iv)	1,077	589	(iv)	1,077
Administrative and other expenses	283			283			283
Selling and distribution expense	939			939			939
Depreciation, amortisation, and impairment	2,528			2,528			2,528
Total Expenses	10,709			11,298			11,298
Profit/ (loss) from operations	399			(190)			(190)
Finance costs/finance income (net)	(2,095)			(2,095)			(2,095)
Other income	1			1			1
Profit (loss) before tax	(1,695)			(2,284)			(2,284)
Income tax expense							
Current tax							
Deferred tax	524			524			524
Profit (loss) after tax	(1,171)	—		(1,760)	—		(1,760)
Weighted average basic shares outstanding (millions)	242			393			363
Basic and diluted earnings per share	(4.84)			(4.48) (v)			(4.84) (v)

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The following table sets forth unaudited condensed pro forma results of operations for the year ended March 31, 2014 (expressed in Rs. millions, except share and per share data) giving effect to the proposed transaction as if it had occurred at April 1, 2013.

UNAUDITED PRO FORMA CONDENSED VIDEOCON D2H RESULTS OF OPERATION THE YEAR ENDED MARCH 31, 2014

Unaudited Pro Forma Results of Operations
For the year ended March 31, 2014

<i>(millions of Indian rupees)</i>	(historic)	Pro Forma Adjustments (minimum)	Notes	Pro Forma (minimum)	Pro Forma Adjustments (maximum)	Notes	Pro Forma (maximum)
INCOME							
Revenue from operations	17,644			17,644			17,644
EXPENSE							
Operating expense	10,715			10,715			10,715
Employee benefits expense	864	1,178	(vi)	2,042	1,178	(vi)	2,042
Administrative and other expenses	538			538			538
Selling and distribution expense	1,606			1,606			1,606
Depreciation, amortisation, and impairment	4,212			4,212			4,212
Total Expenses	17,935			19,113			19,113
Profit/ (loss) from operations	(291)			(1,469)			(1,469)
Finance costs/finance income (net)	(4,351)			(4,351)			(4,351)
Other income	17			17			17
Profit (loss) before tax	(4,625)			(5,803)			(5,803)
Income tax expense							
Current tax							
Deferred tax	1,430			1,430			1,430
Profit (loss) after tax	(3,195)	—		(4,373)	—		(4,373)
Weighted average basic shares outstanding (millions)	242			393			363
Basic and diluted earnings per share	(13.20)			(11.13) (vii)			(12.03) (vii)

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1. Basis of Presentation

Under the terms of the Transaction, Silver Eagle will contribute the funds held in the trust account that holds the proceeds of its initial public offering, less transaction expenses, amounts used to pay Silver Eagle stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal, payments to warrant holders (if the Warrant Amendment Proposal is approved), and reserves for liquidation and dissolution expenses, in exchange for equity shares of Videocon d2h.

The pro forma financial information gives effect to the Transaction as if it had occurred at April 1, 2013 for the purposes of the unaudited condensed Videocon d2h pro forma results of operations for the year ended March 31, 2014 and the six months ended September 30, 2014 (“pro forma results of operations”). For statements of financial position, the pro forma information shows the pro forma effect of the consummation of the Transaction as if it had occurred on September 30, 2014 for the statement of financial position at September 30, 2014. The unaudited condensed pro forma information has been prepared using Videocon d2h’s historical financial statements.

The pro forma financial information is prepared in conformity with International Financial Reporting Standards, as issued by the International Accounting Standards Board, or “IFRS”. The unaudited condensed pro forma statement of financial position as of September 30, 2014 and the pro forma results of operations for the year ended March 31, 2014 and the six months ended September 30, 2014 have been prepared using the following information:

- (a) Audited historical financial statements of Videocon d2h for the year ended March 31, 2014;
- (b) The unaudited historical financial statements of Videocon d2h for the six months ended September 30, 2014;
- (c) The Contribution Agreement between Videocon d2h and Silver Eagle; and
- (d) Such other known supplementary information as considered necessary to reflect the Transaction in the unaudited condensed pro forma financial information.

The pro forma adjustments reflecting the consummation of the Transaction (“pro forma adjustments”) are based on certain estimates and assumptions. The unaudited condensed pro forma adjustments may be revised as additional information becomes available. The actual adjustments upon consummation of the Transaction will depend on a number of factors, including additional financial information available at such time and changes in exchange rates of this pro forma financial information and the consummation of the Transaction. Therefore, it is likely that the actual adjustments will differ from the pro forma adjustments and it is possible the difference may be material. Videocon d2h believes that its assumptions provide a reasonable basis for presenting all of the significant effects of the Transaction contemplated based on information available to Videocon d2h at the time and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the pro forma financial information.

Videocon d2h has determined that the Transaction will be treated as a cash infusion and equity issuance based on the facts and circumstances identified within this offer.

The adjustments in the pro forma financial information are presented net of the tax effect of the expenses associated with the Transaction, assuming a statutory tax rate of 30.9%.

The estimated Transaction Expenses are not reflected in the pro forma as all such Transaction Expenses will be paid by Silver Eagle. The Transaction Expenses can be derived by reviewing the historical financial statements of Silver Eagle and the net consideration transferred to Videocon d2h, presented in the Cash Reconciliation table below. Transaction costs would be paid by Silver Eagle prior to any cash transfer to Videocon d2h.

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The unaudited condensed pro forma financial information is not intended to reflect the results of operations or the financial position that would have resulted had the Transaction been effected on the dates indicated. The unaudited condensed pro forma financial information should be read in conjunction with the financial statements of Videocon d2h as of March 31, 2014 and as of September 30, 2014, included in this proxy statement/prospectus.

2. Pro forma Adjustments and Assumptions

The unaudited pro forma condensed financial information has been prepared to illustrate the effect of the Transaction and has been prepared for informational purposes only. The unaudited pro forma condensed combined financial information is based upon the historical consolidated financial statements of Videocon d2h and should be read in conjunction with their historical financial statements.

The pro forma basic and diluted earnings per share amounts presented in the unaudited pro forma condensed results of operations are based upon the number of Videocon d2h's shares outstanding, assuming the Transaction occurred on April 1, 2013.

The historical financial information has been adjusted to give effect to pro forma events that are related and/or directly attributable to the Business Combination Proposal, are factually supportable and, in the case of the unaudited pro forma statement of operations data, are expected to have a continuing impact on Videocon d2h results.

As discussed above, these pro forma adjustments are based on certain estimates and assumptions made as of the date or for the period of the unaudited condensed pro forma financial information. The actual adjustments will depend on a number of factors, including changes in the estimated cash consideration and foreign exchange rates at the time of close. These adjustments are likely to be different from the adjustments made to prepare the unaudited condensed pro forma financial information and such differences may be material.

(i) Cash transfer from Silver Eagle to Videocon d2h & equity issuance from Videocon d2h to Silver Eagle:

In connection with the Transaction, 37.8 million Videocon d2h ADSs, equivalent to 151.0 million equity shares, are expected to be issued to Silver Eagle for Rs.16.8 billion resulting in additional share capital of Rs.1.5 billion and additional share premium of Rs.15.3 billion. These shares were recorded at a par value of Rs.40 per ADS. The number of Silver Eagle founder earnout shares outstanding have not been considered in the pro forma balance sheet as such number of shares will be forfeited by the founders. The cash that Videocon d2h receives in the Transaction will vary as a result of foreign exchange ratios and possible fluctuations in the cash held by Silver Eagle from the date of this offer to exchange and the completion of the Transaction.

(ii) Cash transfer from Silver Eagle to Videocon d2h & equity issuance from Videocon d2h to Silver Eagle:

In connection with the Transaction, 30.4 million Videocon d2h ADSs, equivalent to 121.5 million equity shares, are expected to be issued to Silver Eagle for Rs.12.4 billion resulting in additional share capital of Rs.1.2 billion and additional share premium of Rs.11.2 billion. These shares were recorded at par value of Rs.40 per share. The number of Silver Eagle founder earnout shares outstanding have not been considered in the pro forma balance sheet as such number of shares will be forfeited by the founders. The cash that Videocon d2h receives in the Transaction will vary as a result of foreign exchange ratios and possible fluctuations in the cash held by Silver Eagle from the date of this proxy statement/prospectus and the completion of the Transaction.

(iii) Transfer of cash to restricted cash

As stated in the Business Combination Proposal, Videocon d2h has agreed to use \$100 million, or Rs.6.2 billion of the proceeds to pay off debt. Due to Videocon d2h's intention to use these funds for debt repayment, the cash will be reclassified to restricted cash.

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(iv) *Share-based compensation expense for ESOP 2014 plan*

Pursuant to the ESOP 2014 plan described elsewhere, Videocon d2h is expected to issue 4 million stock options to its employees upon the closing of the Transaction to retain and incentivize such employees following the Transaction. Subject to consummation of the Transaction, the stock options will be time based awards and will vest over a period of 18 months to 4 years in accordance with the vesting schedule set out in the ESOP 2014 plan. Where parts of certain plans vest at different time periods, each vesting period has been considered a separate tranche for purpose of calculating the period expense. The fair value of each option was calculated to be between Rs.68 and 78, and 3.5 million of the options are expected to vest. The stock compensation during the first six months of the second year following the grant of the plan is expected to be Rs.589 million.

(v) *Earnings per equity share*

- (a) Pro forma earnings per equity share for the six months ended September 30, 2014 have been calculated based on the estimated average number of equity shares outstanding on a pro forma basis, as described below. The historical weighted average number of Videocon d2h equity shares outstanding was 242,000,000 basic and diluted, for the six months ended September 30, 2014. No potentially dilutive shares were identified in the historic financial information of Videocon d2h.
- (b) The pro forma weighted average number of equity shares outstanding for the six months ended September 30, 2014 is 393 million basic shares for the minimum redemption scenario and 364 million basic shares for the maximum redemption scenario. No potentially dilutive shares were identified in the pro forma financial statements, nor would there be dilution as the Company is in a loss position within both the minimum and maximum scenarios.
- (c) In calculating diluted earnings per share, we consider the application of the treasury stock method into the calculation of diluted earnings per share. There was no dilutive effect identified for the pro forma financial statements.

The tables below present the share reconciliation and pro forma earnings per share (EPS) for the minimum and maximum redemption scenarios. Basic and diluted EPS are the same as no potential dilutive effects identified.

Videocon d2h September 30, 2014 pro forma share reconciliation	Minimum		Maximum	
	Common share equivalent	% ownership	Common share equivalent	% ownership
<i>(in millions of shares, except conversion ratios)</i>				
Weighted average shares of existing videocon shareholders	242	61.6%	242	66.6%
ADSs issued to public SEAC shareholders	37.8		30.4	
Conversion ratio from ADS to common shares	4.00		4.00	
Equivalent common shares issued through ADS to SEAC shareholders	151	38.4%	121	33.4%
Weighted average shares outstanding of Videocon after the transaction – basic	393	100.0%	363	100.0%
Videocon d2h September 30, 2014 pro forma EPS			Minimum	Maximum
Net loss attributable to Videocon (Rs. millions)			(1,760)	(1,760)
Basic weighted average ordinary shares outstanding (in millions)			393	363
Basic loss per ordinary share (no dilution due to net loss) (Rs. per share)			(4.48)	(4.84)

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(vi) *Share-based compensation expense for ESOP 2014 plan*

Pursuant to the ESOP 2014 plan described elsewhere, Videocon d2h is expected to issue 4 million stock options to its employees upon the closing of the Transaction to retain and incentivize such employees following the Transaction. Subject to consummation of the Transaction, the stock options will be time based awards and will vest over a period of 18 months to 4 years in accordance with the vesting schedule set out in the ESOP 2014 plan. Where parts of certain plans vest at different time periods, each vesting period has been considered a separate tranche for purpose of calculating the period expense. The fair value of each option was calculated to be between Rs.68 and 78, and 3.5 million of the options are expected to vest. The stock compensation in the first year of the plan is expected to be Rs.1,178 million.

(vii) *Earnings per equity share*

- (a) Pro forma earnings per equity share for the year ended March 31, 2014 have been calculated based on the estimated average number of equity shares outstanding on a pro forma basis, as described below. The historical weighted average number of Videocon d2h equity shares outstanding was 242,000,000 basic and diluted, for the year ended March 31, 2014. No potentially dilutive shares were identified in the historic financial information of Videocon d2h.
- (b) The pro forma weighted average number of shares outstanding for the year ended March 31, 2014 is 393 million basic shares for the minimum redemption scenario and 364 million basic shares for the maximum redemption scenario. No potentially dilutive shares were identified in the pro forma financial statements, nor would there be dilution as Videocon d2h is in a loss position within both the minimum and maximum scenarios.
- (c) In calculating diluted earnings per share, we consider the application of the treasury stock method into the calculation of diluted earnings per share. There was no dilutive effect identified for the pro forma financial statements.

The tables below present the share reconciliation and pro forma earnings per share (EPS) for the minimum and maximum redemption scenarios. Basic and diluted EPS are the same as no potential dilutive effects identified.

Videocon d2h March 31, 2014 pro forma share reconciliation	Minimum		Maximum	
	Common share equivalent	% ownership	Common share equivalent	% ownership
<i>(in millions of shares, except conversion ratios)</i>				
Weighted average shares of existing videocon shareholders	242	61.6%	242	66.6%
ADSS issued to public SEAC shareholders	37.8		30.4	
Conversion ratio from ADS to equity shares	4.0		4.0	
Equivalent equity shares issued through ADS to SEAC shareholders	151	38.4%	121	33.4%
Weighted average shares outstanding of Videocon after the transaction – basic	393	100.0%	363	100.0%
Videocon d2h March 31, 2014 pro forma EPS			Minimum	Maximum
Net loss attributable to Videocon (Rs. millions)			(4,373)	(4,373)
Basic weighted average ordinary shares outstanding (in millions)			393	363
Basic loss per ordinary share (no dilution due to net loss) (Rs. per share)			(11.13)	(12.03)

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3. Cash Reconciliation

The share prices for Silver Eagle used in determining the preliminary estimated transaction price are based on the cash available after taking transaction expenses, amounts used to pay Silver Eagle stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal, payments to warrant holders (if the Warrant Amendment Proposal is approved), and reserves for liquidation and dissolution expenses into consideration. The preliminary total purchase price is calculated as follows:

Cash reconciliation of cash held by Silver Eagle to net transaction proceeds (in millions)	Minimum		Maximum	
	(USD)	(Rs.)	(USD)	(Rs.)
Silver Eagle cash prior to transfer	325.00	20,030	251.20	15,481
Cash expenses				
<i>Transaction expenses and payment of deferred expenses (paid by Silver Eagle)</i>	19.15	1,180	17.85	1,100
<i>Cash paid to warrant holders</i>	32.50	2,003	32.50	2,003
Cash available after transaction costs	273.35	16,847	200.85	12,378

4. Book Value per Share

Videocon d2h calculates diluted book value per share using the treasury stock method, where notional proceeds received upon exercise of options and vesting of other dilutive instruments are assumed to have been used to purchase treasury stock and would reduce the number of shares issued. For the purposes of the pro forma condensed consolidated financial statements and notes thereto, diluted book value per share has been calculated based on the treasury stock method.

The following table sets forth the computation of book value and diluted book value per share adjusted for the exchange offer as of September 30, 2014:

Videocon d2h September 30, 2014 Book Value per Common Share	Historical	pro forma Minimum	pro forma Maximum
Total equity (Rs. millions)	(7,485)	9,362	4,893
Shares (millions)	242	393	363
Book value per common share (Rs.)	(30.93)	23.82	13.46

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5. Sensitivity Analysis

As stipulated in the Business Combination Proposal, the consideration is based on the foreign exchange rate of Rs. to USD of 61.6300 at February 27, 2015. A change in the foreign exchange rate at the date of consummation of the transaction of greater than 3% to a maximum of 10% would result in a contractual change in the number of ADSs issued. The following table depicts the sensitivity of the foreign exchange rate and resulting change in ADSs issued.

	<u>Minimum</u>	<u>Maximum</u>
ADSs issued to Silver Eagle Shareholders and Founders	37.75	30.37
Additional ADSs required to be issued in the case of a 3% depreciation of Rs. relative to USD	1.13	0.91
New Share Total based on 3% depreciation	<u>38.88</u>	<u>31.28</u>
New Equity Ownership Percentage of Silver Eagle Shareholders and Founders	39%	34%
Additional ADSs required to be issued in the case of a 10% depreciation of Rs. relative to USD	4	3
New Share Total based on 10% depreciation	<u>41.53</u>	<u>33.41</u>
New Equity Ownership Percentage of Silver Eagle Shareholders and Founders	41%	36%
Reduction in ADSs required to be issued in the case of a 3% appreciation of Rs. relative to USD	<u>(1.13)</u>	<u>(0.91)</u>
New Share Total based on 3% appreciation	<u>36.62</u>	<u>29.46</u>
New Equity Ownership Percentage of Silver Eagle Shareholders and Founders	38%	33%
Reduction in ADSs required to be issued in the case of a 10% appreciation of Rs. relative to USD	<u>(3.78)</u>	<u>(3.04)</u>
New Share Total based on 10% appreciation	<u>33.98</u>	<u>27.33</u>
New Equity Ownership Percentage of Silver Eagle Shareholders and Founders	<u>36%</u>	<u>31%</u>

6. Issuance of Shareholder and Sponsor earn out

As described elsewhere in this proxy statement/prospectus, as currently contemplated, Videocon d2h may issue to the Sponsor up to an additional 2.0 million ADSs and to the Shareholders, by way of a bonus issue of shares (or such other form of share issue as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian Laws, 46,720,000 Shares, which is equivalent to 11,680,000 Videocon d2h ADS. 50% of such ADSs will be issuable if the last sales price of the Videocon d2h ADSs on NASDAQ for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 125% of the price per ADS issued (based on the price per ADS of \$10.00 ascribed by the parties to the Transaction) to the Silver Eagle stockholders in the Transaction and the remaining 50% of such ADSs will be issuable if the last sales price of the Videocon d2h ADSs on the NASDAQ for any 20 trading days within any 30-trading day period within three years from the closing date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 150% of the price per ADS issued (based on the price per ADS of \$10.00 ascribed by the parties to the Transaction) to the Silver Eagle stockholders in the Transaction.

To demonstrate the impact of this potential issuance, we have considered that the maximum number of shares issued would be under the minimum redemption scenario presented in the pro forma financial information (as the maximum amount of 2 million ADSs would be available to be issued to the Sponsors).

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The impact of this issuance gives effect to a range of possible results, based on whether the performance targets resulting in the issuance of shares are met:

- In the ‘No performance target met’ scenario, the Company’s ADS price would not exceed either the 125% or 150% price target within a 3 year period.
- In the ‘All performance targets met’ scenario, the Company’s ADS price would exceed the 150% price target in the first 20 trading days subsequent to the acquisition date.

The issuance of these ADSs would not impact the pro forma statement of financial position, as the ADSs would not be issuable until at least 20 trading days after the consummation of the Transaction.

For the pro forma results of operations, the issuance of ADSs is presented as if the ADSs were issuable as at April 26, 2013, representing 20 trading days after the beginning of the period. The expense is presented over the vesting period, which would be 20 trading days in this scenario.

**Impact of Shareholder and Sponsor earn out issuance for the six months ended September 30, 2014.
(in millions, except per share data)**

	No performance target met	All performance targets met
Pro forma income (loss) for the period (Rs.)	(1,760)	(1,760)
Increase in expense (Rs.)	0	0
Pro forma income (loss) for the period after effecting for ADS issuance (Rs.)	(1,760)	(1,760)
Pro forma weighted average shares outstanding – basic and diluted	393	393
Increase in weighted average shares outstanding – basic and diluted	0	55
Weighted average shares outstanding after effecting for ADS issuance – basic and diluted	393	448
Pro forma EPS (Rs.) – basic and diluted	(4.48)	(4.48)
Increase (decrease) in EPS (Rs.) – basic and diluted	0	0.55
EPS after effecting for ADS issuance (Rs.) – basic and diluted	(4.48)	(3.93)

**Impact of Shareholder and Sponsor earn out issuance for the year ended March 31, 2014
(in millions, except per share data)**

	No performance target met	All performance targets met
Pro forma income (loss) for the period (Rs.)	(4,373)	(4,373)
Increase in expense (Rs.)	0	(12,646)
Pro forma income (loss) for the period after effecting for ADS issuance (Rs.)	(4,373)	(17,019)
Pro forma weighted average shares outstanding – basic and diluted	393	393
Increase in weighted average shares outstanding – basic and diluted	—	51
Weighted average shares outstanding after effecting for ADS issuance – basic and diluted	393	444
Pro forma EPS (Rs.) – basic and diluted	(11.13)	(11.13)
Increase (decrease) in EPS (Rs.) – basic and diluted	0	(27.22)
EPS after effecting for ADS issuance (Rs.) – basic and diluted	(11.13)	(38.35)

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

United States Federal Income Taxation

The following discussion describes certain material United States federal income tax consequences of the Transaction to US Holders and non-US Holders (each as defined below) and of the ownership and disposition of the ADSs or equity shares received by such holders upon the completion of the Transaction. This summary applies only to investors that hold the ADSs or equity shares as capital assets (generally, property held for investment) and that have the US dollar as their functional currency. This discussion is based on the United States Internal Revenue Code of 1986, as amended, as in effect on the date hereof and on United States Treasury regulations in effect or, in some cases, proposed, as of the date hereof, as well as judicial and administrative interpretations thereof available on or before such date. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below.

The following discussion neither deals with the tax consequences to any particular investor nor describes all of the tax consequences applicable to persons in special tax situations such as:

- banks;
- certain financial institutions;
- insurance companies;
- regulated investment companies;
- real estate investment trusts;
- broker dealers;
- United States expatriates;
- traders that elect to use the mark-to-market method of accounting;
- tax-exempt entities;
- persons liable for the alternative minimum tax;
- persons holding an ADS or equity share as part of a straddle, hedging, conversion or integrated transaction;
- persons that actually or constructively own 10.0% or more of the total combined voting power of all classes of our voting stock;
- persons who acquired ADSs or equity shares pursuant to the exercise of any employee share option or otherwise as compensation; or
- persons holding ADSs or equity shares through partnerships or other pass-through entities.

INVESTORS SHOULD CONSULT THEIR TAX ADVISORS ABOUT THE APPLICATION OF THE UNITED STATES FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE AND LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF ADSs OR EQUITY SHARES.

The discussion below of the United States federal income tax consequences to “US Holders” will apply to you if you are a beneficial owner of ADSs or equity shares and you are, for United States federal income tax purposes,

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for United states federal income tax purposes) created or organized in the United States or under the laws of the United States, any State thereof or the District of Columbia;

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- an estate, the income of which is subject to United States federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a Court within the United States and the control of one or more United States persons for all substantial decisions of the trust or (2) was in existence on August 20, 1996, was treated as a domestic trust on the previous day and has a valid election in effect under the applicable United States Treasury regulations to be treated as a United States person.

For purposes of this discussion, a “non-US Holder” means a beneficial owner of ADSs or equity shares that is neither a US Holder nor a partnership (or an entity treated as a partnership for US federal income tax purposes).

If an entity or arrangement treated as a partnership for United States federal income tax purposes holds ADSs or equity shares, the tax treatment of a partner will generally depend upon the status and the activities of the partnership. A US Holder that is a partner in a partnership holding ADSs or equity shares is urged to consult its tax advisor.

The discussion below assumes that the representations contained in the deposit agreement are true and that the obligations in the deposit agreement and any related agreement will be complied with in accordance with their terms. If you hold ADSs, you should be treated as the holder of the underlying equity shares represented by those ADSs for United States federal income tax purposes.

The United States Treasury has expressed concerns that parties to whom ADSs are pre-released may be taking actions that are inconsistent with the claiming, by US Holders of ADSs, of foreign tax credits for United States federal income tax purposes. Such actions would also be inconsistent with the claiming of the reduced rate of tax applicable to dividends received by certain non-corporate US Holders, as described below. Accordingly, the availability of foreign tax credits or the reduced tax rate for dividends received by certain non-corporate US Holders could be affected by future actions that may be taken by the United States Treasury or parties to whom ADSs are pre-released.

Receipt of Videocon d2h ADSs and/or Cash in the Transaction by Holders of Shares of Silver Eagle Common Stock or Warrants

Pursuant to the Transaction, holders of Silver Eagle common stock will receive Videocon d2h ADSs in proportion to their stockholdings in Silver Eagle. It is expected that Silver Eagle will dissolve and liquidate as soon as practicable after the closing of the Transaction; however, Silver Eagle’s board of directors reserves the right to not liquidate Silver Eagle following the Transaction. In addition, if the Warrant Amendment Proposal is approved, each outstanding public warrant of Silver Eagle will be exchanged for cash. The following discussion sets forth the income tax consequences to holders of Silver Eagle common stock of the receipt of Videocon d2h ADSs, assuming that the Videocon d2h ADSs will be treated for US federal income tax purposes as received pursuant to a plan of liquidation of Silver Eagle and the income tax consequences to the holders of the public warrants of Silver Eagle on the receipt of cash.

The receipt of Videocon d2h ADSs in the Transaction should be a taxable transaction for US federal income tax purposes. Assuming the Transaction is a taxable transaction and that the Videocon d2h ADSs will be treated as having been received pursuant to the liquidation of Silver Eagle, in general, a US holder of shares of Silver Eagle common stock or warrants, as applicable, should recognize capital gain or loss for US federal income tax purposes in an amount equal to the difference, if any, between (1) the cash, and, if applicable, the fair market value at the time of the receipt of the Videocon d2h ADSs, as applicable, and (2) the U.S. holder’s adjusted tax basis in such Silver Eagle common stock or warrants, as applicable. If a U.S. holder acquired different blocks of Silver Eagle common stock or warrants at different times or different prices, such U.S. holder must determine its tax basis and holding period separately with respect to each block of Silver Eagle common stock or warrants, as applicable. Such gain or loss will be long-term capital gain or loss provided that a U.S. holder’s holding period for such shares or warrants is more than one year at the date of the Transaction. Long-term capital gains recognized by US holders that are not corporations generally are eligible for reduced rates of federal income taxation. The deductibility of capital losses is subject to certain limitations. A US holder should have a tax basis in the Videocon d2h ADSs received equal to their fair market

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value on the date of the exchange of the Contribution Amount for Videocon d2h ADSs, and the US holder's holding period with respect to such Videocon d2h ADSs should begin on the day after the date of the Transaction.

If Silver Eagle is not dissolved or is not otherwise treated for US federal income tax purposes as having been liquidated, the fair market value of the Videocon d2h ADSs received by the holder of shares of Silver Eagle common stock generally will be includable in such holder's gross income on the date of receipt but only to the extent that the distribution is paid out of Silver Eagle's current or accumulated earnings and profits (as determined under US federal income tax principles). To the extent that the amount of the distribution exceeds Silver Eagle's current and accumulated earnings and profits (as determined under US federal income tax principles), such excess amount will be treated first as a tax-free return of the holder's tax basis in such holder's Silver Eagle common stock, and then, to the extent such excess amount exceeds the holder's tax basis in such holder's Silver Eagle common stock, as capital gain.

The Transaction also may potentially qualify for US federal income tax purposes as a tax-free reorganization under Section 368(a) of the Code. If the Transaction is a tax-free reorganization under Section 368(a) of the Code, the material federal income tax consequences to a US holder who receives Videocon d2h ADSs would be as follows: no gain or loss will be recognized upon the receipt of Videocon d2h ADSs; the aggregate tax basis of the shares of Videocon d2h underlying the ADSs received will be the same as the aggregate tax basis of the shares of Silver Eagle common stock immediately before the exchange; and the holding period of the Videocon d2h ADSs received in the Transaction will include the holding period of the shares of Silver Eagle common stock, provided that the shares of Silver Eagle common stock are held as a capital assets on the effective date of the Transaction.

If the Transaction is a tax-free reorganization, each US holder of Silver Eagle common stock who is a "significant holder" will be required to file a statement with her, his or its federal income tax return setting forth her, his or its tax basis in the Silver Eagle common stock surrendered by her, him or it and the fair market value in the Silver Eagle common stock surrendered by her, him or it in the reincorporation merger, and to retain permanent records of the facts relating to the merger. A "significant holder" is a shareholder who immediately before the merger, owned at least one percent (by vote or value) of the outstanding Silver Eagle common stock with an adjusted tax basis of \$1 million or more.

Silver Eagle intends to treat the Transaction as a taxable transaction.

Receipt of Cash by Holders of Shares of Silver Eagle Common Stock who Exercise their Redemption Rights

The receipt of cash by Holders of shares of Silver Eagle common stock who exercise their redemption rights will be a taxable transaction for US federal income tax purposes. In general, a US holder of shares of Silver Eagle common stock, as applicable, will recognize capital gain or loss for U.S. federal income tax purposes in an amount equal to the difference, if any, between (1) the cash received with respect to such Silver Eagle common stock in the redemption and (2) the US holder's adjusted tax basis in such Silver Eagle common stock. If a US holder acquired different blocks of Silver Eagle common stock at different times or different prices, such U.S. holder must determine its tax basis and holding period separately with respect to each block of Silver Eagle common stock, as applicable. Such gain or loss will be long-term capital gain or loss provided that a US holder's holding period for such shares is more than one year at the time of the redemption. Long-term capital gains recognized by US holders that are not corporations generally are eligible for reduced rates of federal income taxation. The deductibility of capital losses is subject to certain limitations.

Formation and Use of Liquidating Trust

As part of the dissolution of Silver Eagle, Silver Eagle's board of directors may establish one or more liquidating trusts for the benefit of Silver Eagle's stockholders. It is expected that any such liquidating trust would qualify as a liquidating trust for US federal income tax purposes. The US federal income tax consequences of establishing a liquidating trust are the same as if Silver Eagle liquidated as described above and each former shareholder of Silver Eagle will be treated as the beneficial owner of the assets and liabilities of the liquidating trusts in proportion to their stockholdings in Silver Eagle at the time the liquidating trusts

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are established. All items of income, gain or loss will be reported directly to the former shareholders of Silver Eagle in proportion to their stockholdings in Silver Eagle, regardless of whether the liquidating trusts make any distributions.

Ownership of ADSs or Equity Shares

US Holders

Taxation of Dividends and Other Distributions on the ADSs or Equity Shares

Subject to the PFIC rules discussed below, the gross amount of any distributions we make to you with respect to the ADSs or equity shares generally will be includible in your gross income as foreign source dividend income on the date of receipt by the depository, in the case of ADSs, or by you, in the case of equity shares, but only to the extent that the distribution is paid out of our current or accumulated earnings and profits (as determined under United States federal income tax principles). Any such dividends will not be eligible for the dividends received deduction allowed to corporations in respect of dividends received from other United States corporations. To the extent that the amount of the distribution exceeds our current and accumulated earnings and profits (as determined under United States federal income tax principles), such excess amount will be treated first as a tax-free return of your tax basis in your ADSs or equity shares, and then, to the extent such excess amount exceeds your tax basis in your ADSs or equity shares, as capital gain. However, we currently do not, and we do not intend to calculate our earnings and profits under United States federal income tax principles. Therefore, a US Holder should expect that any distribution will generally be reported as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above.

With respect to certain non-corporate US Holders, including individual US Holders, dividends may be taxed at the lower applicable capital gains rate applicable to “qualified dividend income,” provided that (1) the ADSs or equity shares, as applicable, are readily tradable on an established securities market in the United States or we are eligible for the benefits of the United States-India income tax treaty, (2) we are neither a PFIC nor treated as such with respect to you (as discussed below) for the taxable year in which the dividend is paid or the preceding taxable year, and (3) the equity shares are held for a holding period of more than 60 days during the 121 — day period beginning 60 days before the ex-dividend date. Under US Internal Revenue Service authority, equity shares or ADSs representing such shares, are considered for the purpose of clause (1) above to be readily tradable on an established securities market in the United States if they are listed on the NASDAQ, as our ADSs currently are. You should consult your tax advisors regarding the availability of the lower capital gains rate applicable to qualified dividend income for any dividends paid with respect to our ADSs or equity shares.

Any dividends will constitute foreign source income for foreign tax credit limitation purposes. If the dividends are taxed as qualified dividend income (as discussed above), the amount of the dividend taken into account for purposes of calculating the foreign tax credit limitation will in general be limited to the gross amount of the dividend, multiplied by the reduced tax rate applicable to qualified dividend income and divided by the highest tax rate normally applicable to dividends. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, any dividends distributed by us with respect to ADSs or equity shares will generally constitute “passive category income” but could, in the case of certain US Holders, constitute “general category income.” A US Holder may not be able to claim a foreign tax credit for any Indian taxes imposed with respect to dividend distribution taxes on ADSs or equity shares (as discussed under “*Material Indian Tax Considerations — Taxation of Dividends*”). The rules relating to the determination of the foreign tax credit are complex and US Holders should consult their tax advisors to determine whether and to what extent a credit would be available in their particular circumstances, including the effects of any applicable income tax treaties.

Taxation of a Disposition of ADSs or Equity Shares

Subject to the PFIC rules discussed below, upon a sale or other disposition of ADSs or equity shares, a US Holder will generally recognize a capital gain or loss for United States federal income tax purposes in an amount equal to the difference between the amount realized for the ADS or equity share and such US Holder’s tax basis in such ADSs and equity shares. Any such gain or loss will be treated as long-term capital

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gain or loss if the US Holder's holding period in the ADSs and equity shares at the time of the disposition exceeds one year. Long-term capital gain of individual US Holders generally will be subject to United States federal income tax at reduced tax rates. The deductibility of capital losses is subject to limitations. Any such gain or loss that you recognize generally will be treated as United States source income or loss for foreign tax credit limitation purposes.

Because gains generally will be treated as United States source gain, as a result of the United States foreign tax credit limitation, any Indian income tax imposed upon capital gains in respect of ADSs or equity shares (as discussed under "Material Indian Tax Considerations") may not be currently creditable unless a US Holder has other foreign source income for the year in the appropriate United States foreign tax credit limitation basket. US Holders should consult their tax advisors regarding the application of Indian taxes to a disposition of an ADS or equity share and their ability to credit an Indian tax against their United States federal income tax liability.

Passive Foreign Investment Company

Based on the market prices of Videocon d2h's ADSs and the composition of its income and assets, including goodwill, although not clear, Videocon d2h does not believe it was a PFIC for United States federal income tax purposes for its taxable year ended March 31, 2014. However, the application of the PFIC rules is subject to uncertainty in several respects and, therefore, the US Internal Revenue Service may assert that, contrary to its belief, it was a PFIC for such taxable year. Moreover, although the asset test (defined below) is required to be calculated based on the fair market value of its assets, it did not do a valuation of its assets and its belief that it was not a PFIC for its taxable year ended March 31, 2014 is, in part, based on the book value of its assets. In addition, Videocon d2h must make a separate determination each taxable year as to whether it is a PFIC (after the close of each taxable year). A decrease in the market value of its equity shares and ADSs and/or an increase in cash or other passive assets would increase the relative percentage of its passive assets. Accordingly, Videocon d2h cannot assure you it will not be a PFIC for the taxable year ending on March 31, 2015 or any future taxable year.

A non-United States corporation will be a PFIC for United States federal income tax purposes for any taxable year if, applying certain look-through rules either:

- at least 75.0% of its gross income for such taxable year is passive income, or
- at least 50.0% of the total value of its assets (based on an average of the quarterly values of the assets during such year) is attributable to assets, including cash, that produce passive income or are held for the production of passive income (the asset test).

For this purpose, Videocon d2h will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25.0% (by value) of the stock. A separate determination must be made after the close of each taxable year as to whether it was a PFIC for that year. Because the value of its assets for purposes of the PFIC test will generally be determined by reference to the market price of its ADSs, fluctuations in the market price of its ADSs may cause Videocon d2h to become a PFIC. In addition, changes in the composition of its income or assets may cause it to become a PFIC.

If Videocon d2h is a PFIC for any taxable year during which you hold ADSs or equity shares, Videocon d2h generally will continue to be treated as a PFIC with respect to you for all succeeding years during which you hold its equity shares or ADSs, unless Videocon d2h ceases to be a PFIC and you make a "deemed sale" election with respect to the equity shares or ADSs. If such election is timely made, you will be deemed to have sold the ADSs and equity shares you hold at their fair market value on the last day of the last taxable year in which Videocon d2h qualified as a PFIC and any gain from such deemed sale would be subject to the consequences described in the following two paragraphs. In addition, a new holding period would be deemed to begin for the equity shares and ADSs for purposes of the PFIC rules. After the deemed sale election, your equity shares or ADSs with respect to which the deemed sale election was made will not be treated as shares in a PFIC unless we subsequently become a PFIC.

For each taxable year that Videocon d2h is treated as a PFIC with respect to you, you will be subject to special tax rules with respect to any "excess distribution" that you receive and any gain you recognize from a

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sale or other disposition (including a deemed sale discussed in the precedent paragraph and a pledge) of the ADSs or equity shares, unless you make a “mark-to-market” election as discussed below. Distributions you receive in a taxable year that are greater than 125.0% of the average annual distributions you received during the shorter of the three preceding taxable years or your holding period for the ADSs or equity shares will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over your holding period for the ADSs or equity shares;
- the amount allocated to the current taxable year, and any taxable year in your holding period prior to the first taxable year in which we were a PFIC, will be treated as ordinary income; and
- the amount allocated to each other year will be subject to the highest tax rate in effect for individuals or corporations, as applicable, for each such year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

In addition, non-corporate US Holders will not be eligible for reduced rates of taxation on any dividends received from us (as described above under “— Taxation of Dividends and Other Distributions on the ADSs or Equity Shares”) if we are a PFIC in the taxable year in which such dividends are paid or in the preceding taxable year.

The tax liability for amounts allocated to taxable years prior to the year of disposition or “excess distribution” cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale or other disposition of the ADSs or equity shares cannot be treated as capital, even if you hold the ADSs or equity shares as capital assets.

If Videocon d2h is treated as PFIC with respect to you for any taxable year, to the extent any of its subsidiaries are also PFICs or its makes direct or indirect equity investments in other entities that are PFICs, you may be deemed to own shares in such lower-tier PFICs that are directly or indirectly owned by Videocon d2h in that proportion which the value of the ADSs and equity shares you own bears to the value of all of the ADSs and equity shares, and you may be subject to the adverse tax consequences described in the preceding two paragraphs with respect to the shares of such lower-tier PFICs that you would be deemed to own. You should consult your tax advisor regarding the applicability of the PFIC rules to any of our PFIC subsidiaries.

A US Holder of “marketable stock” (as defined below) in a PFIC may make a mark-to-market election for such stock to elect out of the PFIC rules described above regarding excess distributions and recognized gains. If you make a valid mark-to-market election for the ADSs or equity shares, you will include in income for each year that we are a PFIC an amount equal to the excess, if any, of the fair market value of the ADSs or equity shares as of the close of your taxable year over your adjusted basis in such ADSs or equity shares. You will be allowed a deduction for the excess, if any, of the adjusted basis of the ADSs or equity shares over their fair market value as of the close of the taxable year. However, deductions are allowable only to the extent of any net mark-to-market gains on the ADSs or equity shares included in your income for prior taxable years. Amounts included in your income under a mark-to-market election, as well as gain on the actual sale or other disposition of the ADSs or equity shares will be treated as ordinary income. Ordinary loss treatment will also apply to the deductible portion of any mark-to-market loss on the ADSs or equity shares, as well as to any loss realized on the actual sale or other disposition of the ADSs or equity shares, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included for such ADSs or equity shares. Your basis in the ADSs or equity shares will be adjusted to reflect any such income or loss amounts. If you make a mark-to-market election, any distributions that we make would generally be subject to the tax rules discussed above under “— Taxation of Dividends and Other Distributions on the ADSs or Equity Shares,” except that the lower rate applicable to qualified dividend income (discussed above) would not apply.

The mark-to-market election is available only for “marketable stock,” which is stock that is traded in other than *de minimis* quantities on at least 15 days during each calendar quarter (“regularly traded”) on a qualified exchange or other market, as defined in the applicable United States Treasury regulations. The

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NASDAQ is a qualified exchange. Our ADSs are listed on the NASDAQ and, consequently, if you are a holder of ADSs and the ADSs are regularly traded, the mark-to-market election would be available to you if we become a PFIC. Because a mark-to-market election cannot be made for equity interests in any lower-tier PFICs we own, a US Holder may continue to be subject to the PFIC rules with respect to its indirect interest in any investments held by us that are treated as an equity interest in a PFIC for United States federal income tax purposes. You should consult your tax advisors as to the availability and desirability of a mark-to-market election, as well as the impact of such election on interests in any lower-tier PFICs.

Alternatively, if a non-United States corporation is a PFIC, a holder of shares in that corporation may avoid taxation under the PFIC rules described above regarding excess distributions and recognized gains by making a “qualified electing fund” election to include in income its share of the corporation’s income on a current basis. However, you may make a qualified electing fund election with respect to our ADSs or equity shares only if Videocon d2h agrees to furnish you annually with certain tax information, and it currently does not intend to prepare or provide such information.

Unless otherwise provided by the United States Treasury, each US Holder of a PFIC is required to file an annual report containing such information as the United States Treasury may require. If Videocon d2h is or becomes a PFIC, you should consult your tax advisor regarding any reporting requirements that may apply to you.

You should consult your tax advisor regarding the application of the PFIC rules to your investment in ADSs or equity shares.

Information Reporting and Backup Withholding

Any dividend payments with respect to ADSs or equity shares and proceeds from the sale, exchange, redemption or other disposition of ADSs or equity shares may be subject to information reporting to the US Internal Revenue Service and possible United States backup withholding. Backup withholding will not apply, however, to a US Holder who furnishes a correct taxpayer identification number and makes any other required certification or who is otherwise exempt from backup withholding. US Holders who are required to establish their exempt status generally must provide such certification on Internal Revenue Service Form W-9. US Holders should consult their tax advisors regarding the application of the United States information reporting and backup withholding rules.

A non-U.S. Holder (as discussed below) may be required to comply with certification and identification procedures in order to establish an exemption from information reporting and backup withholding.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your United States federal income tax liability, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the US Internal Revenue Service and furnishing any required information.

Additional Reporting Requirements

Certain US Holders who are individuals are required to report information relating to an interest in our ADSs or equity shares, subject to certain exceptions (including an exception for ADSs and equity shares held in accounts maintained by certain financial institutions). US Holders should consult their tax advisors regarding the effect, if any, of these rules on the ownership and disposition of our ADSs or equity shares.

Non-US Holders

In general, a non-U.S. Holder of ADSs or equity shares will not be subject to U.S. federal income tax or, subject to the discussion above under “— Information Reporting and Backup Withholding,” U.S. federal withholding tax on any dividends received on ADSs or equity shares or any gain recognized on a sale or other disposition of ADSs or equity shares (including, any distribution to the extent it exceeds the adjusted basis in the non-U.S. Holder’s ADSs or equity shares) unless:

- the dividend or gain is effectively connected with the non-U.S. Holder’s conduct of a trade or business in the United States, and if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the non-U.S. Holder in the United States; or

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- in the case of gain only, the non-U.S. Holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the sale or disposition, and certain other requirements are met.

A non-U.S. holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable tax treaty) on the repatriation from the United States of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

MATERIAL INDIAN TAX CONSIDERATIONS

The following is a summary of the material Indian income tax consequences of the acquisition, ownership and disposal of the Videocon d2h ADSs and the Videocon d2h equity shares underlying the Videocon d2h ADSs for investors who are not residents of India for the purposes of the (Indian) Income Tax Act, 1961, as amended (“IT Act”), or non-residents, who acquire the Videocon d2h ADSs pursuant to this proxy statement/prospectus. The summary only addresses the tax consequences for non-resident investors who hold the Videocon d2h ADSs or the Videocon d2h equity shares underlying the Videocon d2h ADSs as capital assets and does not address the tax consequences which may be relevant to other classes of non-resident investors. The summary proceeds on the basis that the investor continues to remain a non-resident when the income by way of dividends and capital gains are earned. The summary is based on Indian tax laws and relevant interpretations thereof as are in force as of the date of this proxy statement/prospectus, including the IT Act which provides for the taxation of persons resident in India on their global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arisen in India, and is subject to change. This summary is not intended to constitute a complete analysis of all the tax consequences for a non-resident investor under Indian law in relation to the acquisition, ownership and disposal of the Videocon d2h ADSs or the Videocon d2h equity shares underlying the Videocon d2h ADSs and does not deal with all possible tax consequences relating to an investment in the Videocon d2h equity shares and Videocon d2h ADSs, such as the tax consequences under state, local and other (for example, non-Indian) tax laws. Potential investors should therefore consult their own tax advisers on the tax consequences of such acquisition, ownership and disposal of the Videocon d2h ADSs or the Videocon d2h equity shares underlying the Videocon d2h ADSs under Indian law including specifically, the tax treaty between India and their country of residence and the law of the jurisdiction of their residence.

Taxation of Income arising from sale of Videocon d2h ADSs

Section 115AC of the IT Act provides that any income earned by a non-resident from the sale of depository receipts to a non-resident outside India will be exempt from capital gains tax in India. However, if the Videocon d2h ADSs are sold to a resident (whether in or outside India) or to a non-resident in India, the non-resident seller will be subject to capital gains tax in India. Taxes, if any, payable on the sale of the Videocon d2h ADSs by the non-resident seller, are required to be withheld by the purchaser from the purchase consideration at the applicable rate.

Pursuant to proposed amendments to the IT Act presented in the Finance Bill, 2015 by the Government of India on February 28, 2015, any capital gains earned by a non-resident from the sale of depository receipts issued by a company will be subject to capital gains tax in India, if such company’s equity shares are not listed on a stock exchange in India. If these amendments are enacted in the proposed form, the sale of Videocon d2h ADSs by a non-resident seller who has held such Videocon d2h ADSs for a period exceeding 36 months, will be subject to long term capital gains tax at a rate of 20% (plus applicable surcharge and cess) and in the event that the Videocon d2h ADSs are held for a period less than or equal to 36 months, short term capital gains tax will be payable at ordinary income tax rates applicable to such non-resident. However, upon listing of Videocon d2h’s equity shares in India, the tax treatment described in the preceding paragraph should apply. These proposed amendments remain subject to the approval by both the lower and upper houses of the Indian Parliament. Further, the tax treatment discussed above is subject to Double Taxation Avoidance Agreements, or DTAAAs, that India has entered into with various countries.

This summary only addresses the tax consequences for non-resident investors who hold the Videocon d2h ADSs or the Videocon d2h equity shares underlying the Videocon d2h ADSs as capital assets and does not address the tax consequences where such Videocon d2h ADSs are held as “stock in trade”. If such ADSs are held as stock in trade, the income arising from the transfer of ADSs would be treated as business income, which would be taxable in India if it arises through or from the non-resident seller’s business connection in India, if any. **Potential investors should consult their own tax advisers on the tax consequences in India of holding the Videocon d2h ADSs or the underlying Videocon d2h equity shares as a capital asset or as stock in trade, including in relation to the applicable DTAAAs.**

Withdrawal of Videocon d2h Equity Shares in Exchange for the Videocon d2h ADSs

Section 47(x) of the IT Act provides that any transfer by way of conversion of deposit certificates in any form of a company into shares of that company will be exempt from capital gains tax. Therefore, the withdrawal of Videocon d2h equity shares in exchange for the Videocon d2h ADSs, should not give rise to any capital gains liable to income tax in India.

Taxation of Dividends

Dividends paid to non-resident holders of ADSs are not presently subject to tax in the hands of such holder. However, Videocon d2h will be liable to pay a “dividend distribution tax” currently at an effective rate of 16.99% (inclusive of applicable surcharge and cess) (which shall increase upon enactment of the Finance Bill, 2015 to 17.304%) on the total amount distributed as dividend as grossed up by the amount of such dividend distribution tax.

Taxation of Sale of the Equity Shares

Capital gains accruing to a non-resident investor on the sale of the Videocon d2h equity shares will be subject to capital gains tax in India. Such capital gains are computed as the difference between the consideration received for such shares less their cost of acquisition (which will be the same as the cost of acquisition of the Videocon d2h ADSs given that no taxes were paid on the conversion of the Videocon d2h ADS into the Videocon d2h equity shares).

Capital gains realized in respect of unlisted equity shares of Indian public companies held by a non-resident investor for more than 36 months will be treated as long-term capital gains and will be subject to tax at the rate of 10% (plus applicable surcharge and cess), provided the non-resident forgoes the benefit of neutralization of foreign exchange fluctuations. Capital gains realized in respect of equity shares held by the non-resident investor for 36 months or less will be treated as short-term capital gains and will be subject to tax at ordinary tax rates applicable to non-residents. Taxes, if any, payable on the sale of equity shares by the seller, are required to be withheld by the purchaser from the purchase consideration at the applicable rate.

Capital Losses

The losses arising from a transfer of a capital asset in India can only be set off against capital gains and not against any other income in accordance with the IT Act. A long-term capital loss may be set off only against a long-term capital gain. To the extent that the losses are not absorbed in the year of transfer, they may be carried forward for a period of eight years immediately succeeding the year for which the loss was first computed and may be set off against the capital gains assessable for such subsequent years. In order to get the benefit of set-off of the capital losses in this manner, the non-resident investor must file appropriate and timely tax returns in India and undergo the usual assessment procedures.

Tax Treaties

The above mentioned tax rates and the consequent taxation are subject to any benefits available to a non-resident investor under the provisions of any DTAA entered into by the GoI with the country of residence of such non-resident investor.

Gift Tax and Inheritance Tax

The holding of the Videocon d2h ADSs by non-resident investors, the holding of the underlying Videocon d2h equity shares by the depository in a fiduciary capacity and the transfer of the Videocon d2h ADSs between non-resident investors and the depository is exempt from payment of gift tax. Further, there is no tax on inheritances that applies to the Videocon d2h ADSs, or the Videocon d2h equity shares underlying the Videocon d2h ADSs.

Tax Credit

A non-resident investor may be entitled to a tax credit with respect to any withholding tax paid by us or any other person for such non-resident investor's account in accordance with the laws of the applicable jurisdiction.

INFORMATION ABOUT SILVER EAGLE

General

Silver Eagle Acquisition Corp. is a blank check company incorporated in Delaware on April 11, 2013 for the purpose of acquiring, through a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or other similar business combination, one or more operating businesses or assets. Silver Eagle's management seeks to capitalize on its substantial deal sourcing, investing and operating expertise to identify and combine with businesses in the media and entertainment industries, although Silver Eagle may pursue business combination opportunities in other sectors.

On July 30, 2013, Silver Eagle consummated its initial public offering of 32,500,000 units (which included 2,500,000 units issued pursuant to the partial exercise of the over-allotment option of the underwriters), with each unit consisting of one share of Silver Eagle's common stock and one warrant to purchase one-half of one share of its common stock at an exercise of \$5.75 per half share (\$11.50 per whole share). The shares of common stock sold as part of the units in Silver Eagle's initial public offering are referred to as the "public shares." The units in the initial public offering were sold at an offering price of \$10.00 per unit, generating total gross proceeds of \$325,000,000. Prior to the consummation of Silver Eagle's initial public offering, on April 11, 2013, the Sponsor and Dennis A. Miller purchased an aggregate of 10,000,000 founder shares for an aggregate purchase price of \$25,000, or approximately \$0.003 per share. The Sponsor purchased 9,500,000 founder shares and Mr. Miller purchased 500,000 founder shares. The number of founder shares issued was determined based on the initial expectation that the total size of Silver Eagle's initial public offering would be 40,000,000 units and, therefore, that such founder shares would represent 20% of the outstanding shares after the initial public offering. Thereafter, Silver Eagle determined to reduce the size of its initial public offering to 25,000,000 units, and, on June 18, 2013, the Sponsor and Mr. Miller returned to Silver Eagle at no cost, on a pro rata basis, an aggregate of 2,812,500 shares, which were cancelled. On July 10, 2013, the Sponsor and Mr. Miller transferred 35,000 founder shares on a pro rata basis to each of James M. McNamara and Ernest Del (together with Mr. Miller and the Sponsor, or the Initial Stockholders, each of whom paid a purchase price of \$175 for their respective shares (the same per-share purchase price initially paid by the Sponsor and Mr. Miller) and agreed to serve on Silver Eagle's board of directors upon the closing of the initial public offering. On July 22, 2013, in connection with the increase of the size of the initial public offering, Silver Eagle effected a stock dividend of 0.2 shares for each outstanding share of common stock, resulting in the Initial Stockholders holding an aggregate of 8,625,000 shares of common stock. Each of Messrs. McNamara and Del thereafter transferred at no cost 6,650 shares to the Sponsor and 350 shares to Mr. Miller. As a result of the underwriters' partial exercise of their over-allotment option for Silver Eagle's initial public offering, the Initial Stockholders forfeited an aggregate of 500,000 founder shares on July 30, 2013, which Silver Eagle has cancelled.

Simultaneously with the consummation of the initial public offering, Silver Eagle consummated the private sale of 15,000,000 private placement warrants, each exercisable to purchase one-half of one share of Silver Eagle common stock at \$5.75 per half share (\$11.50 per whole share) to the Sponsor and Mr. Miller at a price of \$0.50 per warrant, generating gross proceeds of \$7,500,000. After deducting the underwriting discounts and commissions (excluding the deferred portion of \$12,125,000 in underwriting discounts and commissions, which amount will be payable upon consummation of Silver Eagle's initial business combination if consummated) and the estimated offering expenses, the total net proceeds from its initial public offering and the private placement of the private placement warrants was approximately \$326,000,000, of which \$325,000,000 (or approximately \$10.00 per unit sold in the initial public offering) was placed in the trust account with Continental Stock Transfer & Trust Company acting as trustee. The trust proceeds are invested in permitted United States "government securities" within the meaning of Section 2(a)(16) of the Investment Company Act of 1940, as amended, or the Investment Company Act, having a maturity of 180 days or less or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations. Silver Eagle's amended and restated certificate of incorporation provides that, other than the withdrawal of interest to pay income taxes, if any, and a one-time release of amounts necessary to pay Delaware franchise taxes for 2013 on a timely basis, none of the funds held in trust will be released until the earlier of: (i) the completion of Silver Eagle's business combination; or (ii) the redemption of 100% of the shares of common stock included

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in the units sold in Silver Eagle's initial public offering if it is unable to complete its business combination by April 30, 2015, which is the date that is 21 months after the closing of the initial public offering, or July 30, 2015, if Silver Eagle has executed a letter of intent, agreement in principle or definitive agreement for a business combination within 21 months from the closing of the initial public offering but has not completed its business combination within such 21-month period.

After the payment of underwriting discounts and commissions (excluding the deferred portion of \$12,125,000 in underwriting discounts and commissions, which amount will be payable upon consummation of a business combination if consummated) and approximately \$750,000 in expenses relating to the initial public offering, approximately \$1,000,000 of the net proceeds of the initial public offering and private placement of the private placement warrants was not deposited into the trust account and was retained by Silver Eagle for working capital purposes. The net proceeds deposited into the trust account remain on deposit in the trust account earning interest. As of September 30, 2014, \$324,849,061 was held in the trust account (including \$12,125,000 of deferred underwriting discounts and commissions and \$7,500,000 from the sale of the private placement warrants), and Silver Eagle had cash outside of trust of \$19,997 and \$319,211 in accounts payable and accrued expenses, excluding accrued franchise tax payable. Through September 30, 2014, Silver Eagle had withdrawn a total of \$188,970 from the trust account for payment of Delaware franchise taxes.

Fair Market Value of Target Business

Silver Eagle's initial business combination must occur with one or more target businesses that together have an aggregate fair market value of at least 80% of the assets held in the trust account (excluding the deferred underwriting commissions and taxes payable on the income earned on the trust account) at the time of the agreement to enter into the initial business combination. Silver Eagle's board of directors determined that the fair market value of Videocon d2h satisfies the 80% of net assets test based upon one or more standards generally accepted by the financial community, such as discounted cash flow valuation or value of comparable businesses.

Redemption Rights for Holders of Public Shares Upon Consummation of the Transaction

Silver Eagle is providing its public stockholders with the opportunity to redeem all or a portion of their shares of common stock upon the completion of the Transaction at a per-share price, payable in cash, equal to the aggregate amount on deposit in the trust account as of two business days prior to the consummation of the Transaction, including interest, but less franchise and income taxes payable, divided by the number of then outstanding public shares, subject to the limitations described herein. The amount in the trust account is anticipated to be approximately \$9.99 per public share. The Initial Stockholders have entered into letter agreements with Silver Eagle, pursuant to which they have agreed to waive their redemption rights with respect to their founder shares and any public shares they may hold in connection with the completion of the Transaction.

Submission of the Transaction to a Stockholder Vote

Since Silver Eagle is seeking stockholder approval of the Transaction, Silver Eagle is distributing proxy materials and, in connection therewith, providing its public stockholders with the redemption rights described above upon completion of the Transaction. Public stockholders electing to exercise their redemption rights will be entitled to receive cash equal to their pro rata share of the aggregate amount then on deposit in the trust account as of two business days prior to the consummation of the Transaction, including any amounts representing interest earned on the trust account, less franchise and income taxes payable, provided that such stockholders follow the specific procedures for redemption set forth in this proxy statement/prospectus relating to the stockholder vote on the Transaction. Silver Eagle's public stockholders are not required to vote against the Transaction in order to exercise their redemption rights. If the Transaction is not completed, then public stockholders electing to exercise their redemption rights will not be entitled to receive such payments.

Silver Eagle will complete the Transaction only if a majority of the outstanding shares of common stock vote in favor of the Business Combination Proposal and the Plan of Dissolution Proposal. The Initial Stockholders have agreed to vote their founder shares and any public shares purchased during or after the

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initial public offering in favor of the Transaction. In addition, the Initial Stockholders have agreed to waive their redemption rights with respect to their founder shares and public shares in connection with the consummation of the Transaction.

The Sponsor, directors, officers, advisors or their affiliates may purchase shares or warrants in privately negotiated transactions or in the open market either prior to or following the completion of the Transaction. They will not make any such purchases when they are in possession of any material non-public information not disclosed to the seller or if such purchases are prohibited by Regulation M under the Exchange Act. Such a share purchase may include a contractual acknowledgement that such stockholder, although still the record holder of Silver Eagle shares, is no longer the beneficial owner thereof and therefore agrees not to exercise its redemption rights. In the event that the Sponsor, directors, officers, advisors or their affiliates purchase shares in privately negotiated transactions from public stockholders who have already elected to exercise their redemption rights, such selling stockholders would be required to revoke their prior elections to redeem their shares. It is not anticipated that such purchases, if any, would constitute a tender offer subject to the tender offer rules under the Exchange Act or a going-private transaction subject to the going-private rules under the Exchange Act; however, if the purchasers determine at the time of any such purchases that the purchases are subject to such rules, the purchasers will comply with such rules.

The purpose of such purchases would be to (i) vote such shares in favor of the Transaction and thereby increase the likelihood of obtaining stockholder approval of the Transaction or (ii) to satisfy a closing condition in the Contribution Agreement that the Contribution Amount is at least \$200,850,000, where it appears that such requirement would otherwise not be met. This may result in the completion of the Transaction that may not otherwise have been possible. Similarly, the purchase of warrants could increase the likelihood that the Warrant Amendment Proposal is approved in circumstances in which such approval could not be otherwise obtained.

Limitation on Redemption Rights Upon Completion of the Transaction

Notwithstanding the foregoing, Silver Eagle's amended and restated certificate of incorporation provides that a public stockholder, together with any affiliate of such stockholder or any other person with whom such stockholder is acting in concert or as a "group" (as defined under Section 13 of the Exchange Act), will be restricted from seeking redemption rights with respect to more than an aggregate of 10% of the shares sold in Silver Eagle's initial public offering. This restriction may discourage stockholders from accumulating large blocks of shares, and subsequent attempts by such holders to use their ability to exercise their redemption rights against a proposed business combination as a means to force Silver Eagle or its management to purchase their shares at a significant premium to the then-current market price or on other undesirable terms. Absent this provision, a public stockholder holding more than an aggregate of 10% of the shares sold in Silver Eagle's initial public offering could threaten to exercise its redemption rights if such holder's shares are not purchased by Silver Eagle or Silver Eagle's management at a premium to the then-current market price or on other undesirable terms. By limiting stockholders' ability to redeem to no more than 10% of the shares sold in Silver Eagle's initial public offering, the ability of a small group of stockholders to unreasonably attempt to block the completion of the Transaction is limited. However, stockholders' ability to vote all of their shares (including all shares held by those stockholders that hold more than 10% of the shares sold in the initial public offering) for or against the Transaction is not restricted.

Redemption of Public Shares and Liquidation if No Initial Business Combination

The Sponsor, executive officers and directors have agreed that Silver Eagle must complete its initial business combination within 21 months after the closing of the initial public offering, or within 24 months after the closing of its initial public offering if Silver Eagle has executed a letter of intent, agreement in principle or definitive agreement for an initial business combination on or prior to the date that is 21 months from the closing of its initial public offering. If Silver Eagle is unable to complete its business combination within such time frame, it will:

- cease all operations except for the purpose of winding up;
- as promptly as reasonably possible but not more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the

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trust account, including interest (less up to \$100,000 of interest to pay dissolution expenses), less franchise and income taxes payable, divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidation distributions, if any), subject to applicable law; and

- as promptly as reasonably possible following such redemption, subject to the approval of the remaining stockholders and Silver Eagle's board of directors, dissolve and liquidate;

subject in each case to obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law.

Pursuant to its amended and restated certificate of incorporation, Silver Eagle's powers following the expiration of the permitted time period for consummating a business combination will automatically thereafter be limited to acts and activities relating to dissolving and winding up its affairs.

Management

Directors and Executive Officers

Silver Eagle's directors and executive officers are as follows:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Harry E. Sloan	64	Chairman and Chief Executive Officer
Jeff Sagansky	62	President
James A. Graf	50	Vice President, Chief Financial Officer, Treasurer and Secretary
James M. McNamara	60	Director
Ernest Del	63	Director
Eli Baker	40	Director
Jay Itzkowitz	54	Director

Harry E. Sloan has been Silver Eagle's Chairman and Chief Executive Officer since April 11, 2013. Mr. Sloan served as chairman and chief executive officer from February 2011 to January 2013 of Global Eagle Acquisition Corp., a blank check company which completed its business combination in which it purchased Row 44, Inc., or Row 44, and 86% of the shares of Advanced Inflight Alliance AG, or AIA, in January 2013, and he remains a director of the combined company, Global Eagle Entertainment Inc., or GEE. From October 2005 to August 2009, Mr. Sloan served as Chairman and Chief Executive Officer of Metro-Goldwyn-Mayer, Inc., or MGM, a motion picture, television, home entertainment, and theatrical production and distribution company, and thereafter continued as non-executive chairman until December 2010. He was appointed by a consortium comprised of private equity investors, Comcast Corporation and Sony Corporation of America one year after they agreed to acquire MGM through a leveraged buyout in September 2004. MGM filed for protection under Chapter 11 of the United States Bankruptcy Code in November 2010 pursuant to a pre-packaged plan of reorganization, which was confirmed by a federal bankruptcy court in December 2010. From 1990 to 2001, Mr. Sloan was Founder, Chairman and Chief Executive Officer of SBS Broadcasting, S.A., or SBS, a European broadcasting group, operating commercial television, premium pay channels, radio stations and related print businesses in Western and Central and Eastern Europe, which he founded in 1990 and continued as Executive Chairman until 2005. In 1999, SBS became the largest shareholder of Lions Gate Entertainment Corp., or Lions Gate, an independent motion picture and television production company. Mr. Sloan served as chairman of the board of Lions Gate from April 2004 to March 2005. From 1983 to 1989, Mr. Sloan was Co-Chairman of New World Entertainment Ltd., an independent motion picture and television production company. From January 2011 until December 2014, Mr. Sloan served on the board of Promotora de Informaciones, S.A., or PRISA, Spain's largest media conglomerate which owns El Pais, the leading newspaper in the Spanish-speaking world, as well as pay television, radio and digital properties. He has served on the board of ZeniMax Media Inc., an independent producer of interactive gaming and web content, since 1999. Mr. Sloan was appointed by President Ronald Reagan in 1987 to the President's Advisory Council on Trade and Policy Negotiations (ACTPN). He currently serves on the UCLA Anderson School of Management Board of Visitors and the Executive Board of UCLA Theatre, Film and Television. Mr. Sloan received his Juris Doctor from Loyola Law School in 1976 and his Bachelor of Arts degree from the University of California, Los Angeles in 1971.

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Mr. Sloan's designation as chairman of the board of directors of Silver Eagle was based upon his extensive background and experience as an executive in the media and entertainment industries and his substantial experience in identifying and acquiring a wide variety of businesses. Mr. Sloan is the brother-in-law of James A. Graf, Silver Eagle's Vice President, Chief Financial Officer, Treasurer and Secretary.

Jeff Sagansky has been Silver Eagle's President since April 11, 2013. Mr. Sagansky served as president from February 2011 to January 2013 of Global Eagle Acquisition Corp., and he is a director of GEE. Mr. Sagansky has served as Chairman of Hemisphere Film Capital, a private motion picture and television finance company, since 2008. From February 2009 to April 2011, he served as non-executive Chairman of RHI Entertainment, Inc., which develops, produces and distributes original made-for-television movies and miniseries. From January 2007 through December 2011, he served as Chairman of Elm Tree Partners, a private casino development company, and from September 2007 to February 2009, he served as Co-Chairman of Peace Arch Entertainment Group, Inc., or Peace Arch, a Canadian production and sales company. He also served as interim chief executive officer of Peace Arch from November 2007 to July 2008. From December 2002 to August 2003, he was Vice Chairman of Paxson Communications Corporation, a television network and stations group. From 1998 to 2002, Mr. Sagansky served as Chief Executive Officer of Paxson Communications Corporation. Prior to joining Paxson Communications Corporation, Mr. Sagansky was Co-President of Sony Pictures Entertainment, or SPE, a motion picture, television, and home entertainment production and distribution company which is a subsidiary of Sony Corporation of America, or SCA, from 1996 to 1998 where he was responsible for SPE's strategic planning and worldwide television operations. Prior to his position with SPE, Mr. Sagansky served as executive vice president of SCA, which he joined in 1994. Prior to joining SCA, Mr. Sagansky was President of CBS Entertainment, a television network, from 1990 to 1994. Mr. Sagansky previously served as president of production and then president of TriStar Pictures, a motion picture and television production and distribution company, from 1985 to 1989. He is currently a director of Starz and Scripps Networks Interactive, Inc., two publicly traded media companies. Mr. Sagansky earned a Bachelor of Arts degree from Harvard College and a Masters in Business degree from Harvard Business School.

James A. Graf has been Silver Eagle's Vice President, Chief Financial Officer, Treasurer and Secretary since April 11, 2013. Mr. Graf served as Vice President, Chief Financial Officer, Treasurer and Secretary of Global Eagle Acquisition Corp. from February 2011 to January 2013. He was Vice Chairman of Global Entertainment AG, the German entity holding GEE's equity in AIA from 2013 – 2014. Since late 2008, Mr. Graf has served as a managing director of TC Capital Pte. Ltd., a Singapore-based corporate finance advisory firm. From 2007 to 2008, Mr. Graf was engaged as a consultant to provide financial advisory services to Metro-Goldwyn-Mayer, Inc. In 2001, Mr. Graf founded and became Chief Executive Officer of Praeada Solutions, Inc., an enterprise software company with operations in the United States, Malaysia and Ukraine. The assets of Praeada Solutions, Inc. were sold in 2006 to a Mergent Inc, a wholly-owned subsidiary of Xinhua Finance Ltd., named Mergent Data Technology, Inc. Praeada Solutions Inc. was renamed PSI Capital Inc., and currently serves as an investment holding company for Mr. Graf's private investments in media and technology. Mr. Graf continues to be Chief Executive of PSI Capital Inc. Prior to founding Praeada, Mr. Graf was a managing director at Merrill Lynch, an investment bank, in Singapore from 1998 to 2000 and a consultant to Merrill Lynch in 2001. From 1996 to 1998, Mr. Graf served as a director and then managing director and President of Deutsche Bank's investment banking entity in Hong Kong, Deutsche Morgan Grenfell (Hong Kong) Ltd. From 1993 to 1996, he was a vice president at Smith Barney in Hong Kong and Los Angeles. From 1987 to 1993, Mr. Graf was an analyst and then associate at Morgan Stanley in New York, Los Angeles, Hong Kong and Singapore. Mr. Graf received a Bachelor of Arts degree from the University of Chicago in 1987. Mr. Graf is the brother-in-law of Harry E. Sloan, Silver Eagle's chairman and chief executive officer.

James M. McNamara has been a member of Silver Eagle's board of directors since July 30, 2013. Mr. McNamara served as a director from May 2011 to January 2013 of Global Eagle Acquisition Corp. In 2005, Mr. McNamara founded Panamax Films, LLC, a film production company that had an output deal with Lions Gate Films to produce films for the U.S. Latino and Greater Latin American film going audiences, and he is currently its chairman. In 2008, Mr. McNamara joined Cinelatino, Inc., a premium Spanish language film channel in the United States, where he serves as non-executive chairman and, in 2010, he joined as

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non-executive chairman of Pantelion Films, a Latino Hollywood studio that is a partnership between Lions Gate Entertainment and Grupo Televisa, a Spanish language media company. From 1999 to 2005, Mr. McNamara was president and chief executive officer at Telemundo Communications Group, Inc., the operator of Telemundo, a Spanish-language broadcast network. From April 1996 to June 1998, Mr. McNamara was the president of Universal Television Enterprises, or Universal, a television production company where his responsibilities included domestic syndication first-run programming and international sales. Mr. McNamara joined Universal from New World, where he served as chief executive officer from 1991 to 1995 and senior vice president, executive vice president and then president of New World International from 1986 to 1991. Mr. McNamara served as a director of Jump TV, a leading IPTV company providing a comprehensive suite of technology and services to content owners and aggregators, from 2006 to 2008 as well as SBS from 1996 to 2005 and Film Roman, Inc., a producer of animated television programming, from 1997 to 1999. Mr. McNamara currently serves as a director of Hemisphere Media Group, Inc. and also is contracted to provide development, production and maintenance of programming, affiliate relations, identification and negotiation of carriage opportunities, and the development, identification and negotiation of new business initiatives, including sponsorship.

Mr. McNamara received his Masters degree from the American Graduate School of International Management and undergraduate degree in business administration and political science from Rollins College. Mr. McNamara's designation as a director of Silver Eagle was based upon his twenty-five years of experience as a leading international film and television executive, extensive broadcast experience in the United States and Latin America and wide management experience in both large and small companies.

Ernest Del has been a member of Silver Eagle's board of directors since July 30, 2013. Mr. Del has been the President and a member of the Board of Directors of ZeniMax Media Inc., a global video-game and media content company based in Rockville, MD, since December 1999. Mr. Del has also served in the additional capacity of President, ZeniMax Europe Ltd., based in London, since April 2011. Mr. Del brings many years of experience in entertainment law, having represented top talent and executives at major television networks, film and television studios and production companies worldwide. Mr. Del is a founding partner of the Los Angeles-area law firm Del, Shaw, Moonves, Tanaka, Finkelstein & Lezcano. His career in law commenced in 1976 with Wyman, Bautzer, Rothman & Kuchel, initially as an anti-trust attorney before moving into the entertainment arena there. Mr. Del is also a member of the Board of Directors of Delivery Agent, Inc., a San Francisco-based pioneer in t-commerce and other emerging media applications. He graduated with degrees in economics and political science from the University of California at Berkeley (1973) and earned his law degree from Stanford University Law School (1976).

Mr. Del's designation as a director of Silver Eagle was based upon his extensive experience as an attorney in the media and entertainment industries and his significant experience in leadership roles both as an executive and as a board member of emerging media companies.

Eli Baker has been a member of Silver Eagle's board of directors since July 23, 2014. Mr. Baker is co-managing director and a partner in the Hemisphere Media Capital, or HCM, and Winchester Media Capital, or WMC, funds, where he has overseen over \$1.2 billion of financings since May 2009. In his roles at HCM and WMC, Mr. Baker has arranged co-financing partnerships with both Sony Pictures Entertainment and Paramount Picture Corporation in the establishment of HCM's "Tent-Pole" fund, which includes titles such as "Men in Black 3" and "World War Z." Mr. Baker also oversees the HCM and WMC debt and high yield funds, which provide "mezzanine" and "gap" financing, corporate debt and project finance facilities for television, film and digital content. Previously, Mr. Baker served as a principal at Grosvenor Park Investors, a joint venture with Fortress Investment Group where he shared oversight over the special opportunity credit/debt funds in the media space. Mr. Baker is a former lawyer, and has served in a legal affairs capacity at various companies in and out of the media/entertainment business, including Lionsgate/Artisan Entertainment, prior to which he practiced international commercial litigation. Mr. Baker earned a Bachelor of Arts degree from the University of California, Berkeley and a Juris Doctor from the University of California at Hastings Law School and is a continuing member of the California State Bar.

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Mr. Baker's designation as a director of Silver Eagle was based upon his experience with television, film and digital content financing and his legal affairs background both in and out of the media/entertainment business.

Jay Itzkowitz has served on Silver Eagle's board since March 2015. Mr. Itzkowitz has served as the Senior Vice President, General Counsel and Secretary of Global Eagle Entertainment Inc. (NASDAQ: ENT) since October 1, 2013. For the ten years prior to joining Global Eagle, from 2004, he was a Partner and Senior Managing Director of the investment banking and securities firm Cantor Fitzgerald LP and Senior Managing Director of its public company affiliate BGC Partners Inc. (NASDAQ: BGCP). While with Cantor Fitzgerald and BGC he was based in London. Mr. Itzkowitz played a significant role in the acquisition of many companies for Cantor Fitzgerald and BGC, including companies based in Hong Kong, Singapore, Istanbul, Paris, Sao Paulo and New York. He also provided investment banking services to clients in the media and financial services businesses. Prior to joining Cantor Fitzgerald, Mr. Itzkowitz held a number of senior positions in the media business. He was the Senior Vice President for Mergers and Acquisitions of Vivendi Universal, the French media group, based in New York and Paris, from 2001 to 2003. Prior to joining Vivendi, Mr. Itzkowitz spent 10 years, from 1992 to 2001, in The News Corporation Limited, working directly senior management. He served as the Senior Vice President of Fox Entertainment Group in Los Angeles from 1992 to 2001, chief legal officer of News International in London from 1997 to 2001, and Executive Vice President of Sky Global Networks in New York from 2000 to 2001. He was a member of the Board of Directors of Stream, the company that became Sky Italia, from 1998 to 2001 and served as an Alternate Member of the Board of Directors of BskyB from 1998 through 2000. Mr. Itzkowitz worked on many international transactions for News Corporation, including its initial acquisition of Star TV in Hong Kong in 1993, acquisitions of stakes in Zee TV and UTV in India in the early 1990's, and BskyB's acquisition of a stake in Kirch Pay TV in the 1998. While at Fox he worked on the acquisition of numerous television stations, the formation and launch of cable television channels including FX and the Fox News Channel, the acquisition of International Family Entertainment, which became the Fox Family Channel, and the acquisition of the Los Angeles Dodgers and an interest in the Los Angeles Lakers. Earlier in his career, Mr. Itzkowitz was the Senior Vice President of Business and Legal Affairs at Carolco Pictures, the producers of Terminator 2 and the Rambo films, in Los Angeles from 1991 to 1992. He began his career as a corporate and mergers and acquisitions lawyer at Paul Weiss Rifkind Wharton & Garrison where he was a corporate and mergers and acquisition associate through 1991, and also served as Of Counsel to the global law firm of Hogan & Hartson, now known as Hogan Lovells, from 2003 to 2004. Mr. Itzkowitz received his bachelor's degree, magna cum laude, from Harvard University in 1982 and his J.D. from Rutgers Law School in 1985. He is a member of the Bars of California and New York, and his securities industry qualifications include NASD Series 7, 24 and 63. He is also an FSA registered person.

Mr. Itzkowitz's designation as a director of Silver Eagle was based upon his experience with television, film and finance and his legal affairs background both in and out of the media/entertainment business.

Employees

Silver Eagle currently has three executive officers. Members of the management team are not and will not be obligated to devote any specific number of hours to Silver Eagle's matters, but they intend to devote as much of their time as they deem necessary to its affairs until the initial business combination is complete. The amount of time that members of management will devote in any time period will vary based on whether a target business has been selected for the initial business combination and the current stage, if any, of any business combination. Silver Eagle has one full time administrative employee and does not intend to have any other employees prior to the completion of the initial business combination.

Legal Proceedings

There are no legal proceedings pending against Silver Eagle.

Properties

Silver Eagle currently leases executive offices at 1450 2nd Street, Suite 247, Santa Monica, CA 90401 from a third party. Silver Eagle considers the current office space adequate for its current operations.

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Available Information

Silver Eagle is required to file Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q with the SEC on a regular basis, and is required to disclose certain material events (e.g., changes in corporate control, acquisitions or dispositions of a significant amount of assets other than in the ordinary course of business and bankruptcy) in a Current Report on Form 8-K. The public may read and copy any materials filed with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet website that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The SEC's Internet website is located at <http://www.sec.gov>.

Beneficial Ownership

The following table sets forth information regarding the beneficial ownership of Silver Eagle's common stock as of March 2, 2015 by:

- each person known by Silver Eagle to be a beneficial owner of more than 5% of its outstanding 40,625,000 shares of common stock;
- each of Silver Eagle's officers and directors; and
- all of Silver Eagle's officers and directors as a group.

Unless otherwise indicated, it is believed that all persons named in the table below have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

<u>Name and Address of Beneficial Owner⁽¹⁾</u>	<u>Number of Shares Beneficially Owned</u>	<u>Approximate Percentage of Outstanding Common Stock</u>
Global Eagle Acquisition LLC (the Sponsor) ⁽²⁾⁽³⁾	7,589,750	18.7%
Harry E. Sloan ⁽⁴⁾	7,689,250	18.9%
Jeff Sagansky ⁽⁵⁾	7,689,250	18.9%
James A. Graf ⁽⁶⁾	402,257	*
James M. McNamara ⁽⁷⁾	35,000	*
Ernest Del ⁽⁷⁾	35,000	*
Eli Baker ⁽⁸⁾	25,000	*
Jay Itzkowitz ⁽⁸⁾	25,000	*
All directors and executive officers as a group (seven individuals)	7,908,750	19.5%
GLG Partners LP ⁽⁹⁾	3,298,238	8.1%
Fir Tree Inc. ⁽¹⁰⁾	2,650,000	6.5%
TD Asset Management Inc. ⁽¹¹⁾	2,500,000	6.2%
Davidson Kempner Capital Management LLC ⁽¹²⁾	2,375,000	5.8%
AQR Capital Management LLC ⁽¹³⁾	2,215,000	5.5%

* Less than one percent.

(1) Unless otherwise noted, the business address of each of the following is 1450 2nd Street, Suite 247, Santa Monica, CA 90401.

(2) These shares represent one hundred percent of Silver Eagle's shares of common stock held by the Sponsor. As a result of the underwriters' partial exercise of their over-allotment option for Silver Eagle's initial public offering, the Sponsor forfeited an aggregate of 475,000 founder shares on July 30, 2013, which Silver Eagle has cancelled. On March 2, 2015, the Sponsor (i) transferred 23,750 founder shares to each of Eli Baker and Jay Itzkowitz in connection with their agreement to serve on Silver Eagle's board of directors; (ii) transferred an additional 15,000 founder shares to a third party; and (iii) entered into an agreement pursuant to which the Sponsor will forfeit an aggregate of 2,712,250 founder shares (including 1,913,063 founder earnout shares (as such term is used in the final prospectus associated with Silver Eagle's initial public offering)) upon consummation of the Transaction.

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- (3) Messrs. Sloan, Sagansky and Graf are members of the Sponsor. The shares are owned by the Sponsor, and Messrs. Sloan and Sagansky share voting and dispositive control over the shares. Messrs. Sloan and Sagansky disclaim beneficial ownership of these shares except to the extent of their pecuniary interest therein.
- (4) Represents (i) the 7,589,750 founder shares held by the Sponsor and (ii) 99,500 shares held by Roscomore, LTD of which Mr. Sloan is the sole general partner. Mr. Sloan disclaims beneficial ownership of these shares except to the extent of his actual pecuniary interest therein.
- (5) Represents (i) the 7,589,750 founder shares held by the Sponsor and (ii) 99,500 shares held directly by Mr. Sagansky.
- (6) These shares represent approximately 5.3% of the founder shares held by the Sponsor. Mr. Graf has a pecuniary interest in such shares but does not have voting or dispositive control over such shares.
- (7) Represents founder shares transferred from the Sponsor and Dennis A. Miller in connection with this individual's agreement to serve on Silver Eagle's board of directors upon the closing of Silver Eagle's initial public offering. On March 2, 2015, this individual entered into an agreement pursuant to which he will forfeit an aggregate of 10,000 founder shares (including 8,750 founder earnout shares (as such term is used in the final prospectus associated with Silver Eagle's initial public offering)) upon consummation of the Transaction.
- (8) Represents founder shares transferred from the Sponsor and Dennis A. Miller in connection with this individual's agreement to serve on Silver Eagle's board of directors.
- (9) According to a Schedule 13G filed with the SEC on February 27, 2015 on behalf of GLG Partners LP, an entity organized under the laws of the United Kingdom ("GLG"), GLG serves as investment manager for certain funds and/or managed accounts which hold shares of Silver Eagle common stock (collectively, the "GLG Funds"). GLG may be deemed to be the beneficial owner of all of the shares of Silver Eagle common stock held by the GLG Funds. GLG Partners Limited ("GLG Partners") serves as the general partner of GLG and, as a result, may be deemed to be the beneficial owner of all of the shares of Silver Eagle common stock owned by the GLG Funds. Man Group plc, an entity organized under the laws of the United Kingdom ("Man Group"), indirectly, through various intermediate entities, controls GLG with respect to the shares of Silver Eagle common stock held by each of the GLG Funds and, as a result, may be deemed to be the beneficial owner of all of the shares of Silver Eagle common stock owned by the GLG Funds. Each of GLG Partners and Man Group disclaims any beneficial ownership of any such shares of Silver Eagle common stock. The business address of this stockholder is 1 Curzon Street, London W1J 5HB, United Kingdom.
- (10) According to a Schedule 13G/A filed with the SEC on February 17, 2015 on behalf of Fir Tree Inc., a New York corporation ("Fir Tree"), the shares reported above include shares purchased by certain private-pooled investment vehicles for which Fir Tree serves as the investment manager (the "Fir Tree Funds"). Fir Tree is the investment manager of the Fir Tree Funds, and has been granted investment discretion over portfolio investments, including the common stock of Silver Eagle held by the Fir Tree Funds. The business address of this stockholder is Fir Tree Inc., 505 Fifth Avenue, 23rd Floor, New York, New York 10017.
- (11) The business address of this stockholder is TD Asset Management Inc., Canada Trust Tower, BCE Place, 161 Bay Street, 35th Floor, Toronto, Ontario, M5J 2T2.
- (12) According to a Schedule 13G filed with the SEC on August 1, 2013 on behalf of Davidson Kempner Partners, a New York limited partnership ("DKP"); MHD Management Co., a New York limited partnership ("MHD") and the general partner of DKP; MHD Management Co. GP, L.L.C., a Delaware limited liability company and the general partner of MHD; Davidson Kempner Institutional Partners, L.P., a Delaware limited partnership ("DKIP"); Davidson Kempner Advisers Inc., a New York corporation and the general partner of DKIP; Davidson Kempner International, Ltd., a British Virgin Islands corporation ("DKIL"); Davidson Kempner International Advisors, L.L.C., a Delaware limited liability company and the investment manager of DKIL; Davidson Kempner Capital Management LLC, a New York limited liability company ("DKCM"); and Messrs. Thomas L. Kempner, Jr., Stephen M. Dowicz, Timothy I. Levart, Robert J. Brivio, Jr., Anthony A. Yoseloff, Eric P. Epstein, Avram Z. Friedman, Conor Bastable, Shulamit Leviant and Morgan Blackwell, who are the managing members of DKCM, DKCM acts as investment manager to each of DKP, DKIP and DKIL either directly or by virtue of a sub-advisory agreement with the investment manager of the relevant fund and is responsible for the voting and investment decisions of DKP, DKIP and DKIL. Messrs. Thomas L. Kempner, Jr. and Stephen M. Dowicz, through DKCM, are responsible for the voting and investment decisions relating to the shares

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reported above that are held by DKP, DKIP and DKIL. The business address of this stockholder is c/o Davidson Kempner Partners, 65 East 55th Street, 19th Floor, New York, New York 10022.

(13)The business address of this stockholder is Two Greenwich Plaza, Greenwich, CT 06830.

SILVER EAGLE MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the financial statements and related notes included elsewhere in this proxy statement/prospectus. This discussion contains forward-looking statements reflecting Silver Eagle's current expectations, estimates and assumptions concerning events and financial trends that may affect its future operating results or financial position. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the sections entitled "*Risk Factors*" and "*Cautionary Note Regarding Forward-Looking Statements*" appearing elsewhere in this proxy statement/prospectus.

Overview

Silver Eagle is a blank check company incorporated in Delaware on April 11, 2013 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. Silver Eagle's management seeks to capitalize on its substantial deal sourcing, investing and operating expertise to identify, acquire and operate media or entertainment businesses, including providers of content, with high growth potential in the United States or internationally, although Silver Eagle may pursue acquisition opportunities in other sectors. Silver Eagle's amended and restated certificate of incorporation prohibits it from effectuating a business combination with another blank check company or similar company with nominal operations.

Investment in Videocon d2h

On December 31, 2014 Silver Eagle entered into the Contribution Agreement with Videocon d2h. Pursuant to the Contribution Agreement, among other things, Silver Eagle will contribute the funds held in the trust account, less transaction expenses, amounts used to pay stockholders who properly exercise their redemption rights in connection with the vote to approve the Business Combination Proposal and amounts payable to warrant holders in exchange for equity shares of Videocon d2h, which will be represented by ADSs, and will constitute up to approximately 33.42% to 38.42% of the outstanding equity shares of Videocon d2h.

Results of Operations

Through September 30, 2014, Silver Eagle's efforts have been limited to organizational activities, activities relating to the initial public offering, activities relating to identifying and evaluating prospective acquisition candidates and activities relating to general corporate matters. Silver Eagle has not generated any revenues, other than interest income earned on the proceeds held in the trust account. As of September 30, 2014, \$324,849,061 was held in the trust account (including \$12,125,000 of deferred underwriting discounts and commissions and \$7,500,000 from the sale of the private placement warrants), and Silver Eagle had cash outside of trust of \$19,997 and \$319,211 in accounts payable and accrued expenses. Silver Eagle's amended and restated certificate of incorporation provides that, other than the withdrawal of interest to pay income taxes, if any, and a one-time release of amounts necessary to pay Delaware franchise taxes for 2013 on a timely basis, none of the funds held in trust will be released until the earlier of: (i) the completion of an initial business combination; or (ii) the redemption of 100% of the shares of common stock included in the units sold in Silver Eagle's initial public offering if Silver Eagle is unable to complete a business combination by April 30, 2015 (which is the date that is 21 months from the closing of the initial public offering), or July 30, 2015 (which is the date that is 24 months from the closing of the initial public offering) if Silver Eagle has executed a letter of intent, agreement in principle or definitive agreement for an initial business combination by April 30, 2015 but has not completed the initial business combination by April 30, 2015. Through September 30, 2014, Silver Eagle has withdrawn a total of \$188,970 from the trust account for payment of Delaware franchise taxes. Other than the deferred underwriting discounts and commissions, no amounts are payable to the underwriters of Silver Eagle's initial public offering in the event of a business combination.

For the period from April 11, 2013 (inception) through September 30, 2014, Silver Eagle earned \$38,031 in interest income on the funds held in the trust account. All of the funds in the trust account are invested in permitted United States "government securities" within the meaning of Section 2(a)(16) of the Investment Company Act, having a maturity of 180 days or less or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations.

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Silver Eagle has agreed to pay its chief financial officer, James A. Graf, or an entity owned and controlled by Mr. Graf, a monthly consulting fee of \$15,000 plus, in the event that Mr. Graf is no longer receiving medical insurance from an employer, an additional amount per month to reimburse Mr. Graf for the purchase of such insurance, for services prior to the completion of an initial business combination (regardless of the amount of services provided), including preparation of Silver Eagle's financial statements, SEC filings, financial due diligence of targets for an initial business combination and negotiations of an agreement for an initial business combination. For the period from April 11, 2013 through September 30, 2014, Silver Eagle paid approximately \$210,000 under this agreement.

Silver Eagle has also agreed to reimburse the Sponsor for office space and secretarial and administrative services provided to members of Silver Eagle's management team by the Sponsor, members of the Sponsor, and members of Silver Eagle's management team or their affiliates, in an amount not to exceed \$10,000 per month in the event that such space and/or services are utilized and Silver Eagle does not pay a third party directly for such services. Upon completion of an initial business combination or liquidation, Silver Eagle will cease paying these monthly fees. For the period from April 11, 2013 through September 30, 2014, Silver Eagle paid \$0 under this agreement.

Liquidity and Capital Resources

As of September 30, 2014, Silver Eagle had cash outside the trust account of \$19,997. Until the consummation of its initial public offering in July 2013, Silver Eagle's only source of liquidity was an initial purchase of the founder shares by the Sponsor and Dennis A. Miller, and a series of advances made by the Sponsor under an unsecured promissory note.

On November 12, 2014, Silver Eagle issued a convertible promissory note to the Sponsor that provides for the Sponsor to advance to Silver Eagle, from time to time, up to \$1,000,000 for ongoing expenses. The convertible note is non-interest bearing and is payable on the earlier of (i) the completion of an initial business combination or (ii) July 30, 2015. At the option of the Sponsor, any amounts outstanding under the convertible note may be converted into warrants to purchase shares of Silver Eagle's common stock at a conversion price of \$0.50 per warrant. Each warrant will entitle the Sponsor to purchase one-half of one share of Silver Eagle's common stock at an exercise price of \$5.75 per half share (\$11.50 per whole share). Each warrant will contain other terms identical to the terms contained in the private placement warrants previously issued to the Sponsor. As of November 12, 2014, Silver Eagle had drawn \$300,000 upon the convertible note.

On July 30, 2013, Silver Eagle consummated its initial public offering of 32,500,000 units at a price of \$10.00 per unit. Simultaneously with the consummation of the initial public offering, Silver Eagle consummated the private sale of an aggregate of 15,000,000 private placement warrants, each exercisable to purchase one-half of one share of Silver Eagle's common stock at \$5.75 per half share (\$11.50 per whole share), to the Sponsor and Dennis A. Miller, at a price of \$0.50 per warrant, generating gross proceeds, before expenses, of \$7,500,000. Silver Eagle received net proceeds from the initial public offering and the sale of the private placement warrants of approximately \$326,000,000, net of the non-deferred portion of the underwriting commissions of \$5,750,000 and offering costs and other related expenses of approximately \$750,000.

As of September 30, 2014, \$324,849,061 was held in the trust account (including \$12,125,000 of deferred underwriting discounts and commissions and \$7,500,000 from the sale of the private placement warrants), and Silver Eagle had cash outside of trust of \$19,997 and \$319,211 in accounts payable and accrued expenses, excluding accrued offering expenses and state franchise taxes. Through September 30, 2014, Silver Eagle has withdrawn a total of \$188,970 from the trust account for payment of Delaware franchise taxes. No other withdrawals from the trust account have been made. Other than the deferred underwriting discounts and commissions, no amounts are payable to the underwriters of Silver Eagle's initial public offering in the event of an initial business combination.

The amounts in the trust account may be invested only in U.S. government treasury bills with a maturity of 180 days or less or money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act which invest only in direct U.S. government treasury obligations. The current low interest rate environment may make it more difficult for such investments to generate sufficient funds, together with the amounts available outside the trust account and under the convertible promissory note issued by Silver Eagle to the Sponsor on November 12, 2014, to consummate the Transaction. If Silver Eagle is required to seek

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additional capital, it would need to borrow additional funds from the Sponsor or Silver Eagle's management team to operate or may be forced to liquidate. Neither the Sponsor nor the Silver Eagle's management team is under any obligation to advance additional funds to Silver Eagle in such circumstances. Any such loans would be repaid only from funds held outside the trust account or from funds released to Silver Eagle upon completion of an initial business combination. If Silver Eagle is unable to complete an initial business combination because Silver Eagle does not have sufficient funds available to it, Silver Eagle will be forced to cease operations and liquidate the trust account.

Off-Balance Sheet Financing Arrangements

Silver Eagle has no obligations, assets or liabilities which would be considered off-balance sheet arrangements. Silver Eagle does not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements.

Silver Eagle has not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or entered into any non-financial assets.

Contractual Obligations

Silver Eagle does not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities other than an agreement to pay Mr. Graf, or an entity owned and controlled by him, a monthly consulting fee of \$15,000 plus, in the event that Mr. Graf is no longer receiving medical insurance from an employer, an additional amount per month to reimburse Mr. Graf for the purchase of such insurance, for services prior to the completion of a business combination (regardless of the amount of services provided), including preparation of the Company's financial statements, SEC filings, financial due diligence of targets for a business combination and negotiations of an agreement for a business combination. Silver Eagle began incurring these fees to Mr. Graf on July 30, 2013 and will continue to incur these fees monthly until the earlier of the completion of a business combination or Silver Eagle's liquidation.

Additionally, Silver Eagle will reimburse the Sponsor for office space, secretarial and administrative services provided to members of Silver Eagle's management team by the Sponsor, members of the Sponsor, and Silver Eagle's management team or their affiliates in an amount not to exceed \$10,000 per month in the event that such space and/or services are utilized and Silver Eagle does not pay a third party directly for such services. Upon completion of a business combination or liquidation, Silver Eagle will cease paying these monthly fees.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and income and expenses during the periods reported. Actual results could materially differ from those estimates. Silver Eagle has identified the following as its critical accounting policies:

Trust account

A total of \$325,000,000, including approximately \$305,375,000 of the net proceeds from Silver Eagle's initial public offering, \$7,500,000 from the sale of the private placement warrants and \$12,125,000 of deferred underwriting discounts and commissions, was placed in the trust account with Continental Stock Transfer & Trust Company acting as trustee. The trust proceeds are invested in U.S. government treasury bills with a maturity of 180 days or less or money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act which invest only in direct U.S. government treasury obligations. As of September 30, 2014, the balance in the trust account was \$324,849,061, which includes \$38,031 of interest earned since the inception of the trust account.

Loss per common share

Loss per share is computed by dividing net loss applicable to common stockholders by the weighted average number of shares of common stock outstanding for the period.

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Income taxes

Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Recent accounting pronouncements

In June 2014, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) No. 2014-10, which eliminated certain financial reporting requirements of companies previously identified as “Development Stage Entities” (Topic 915). The amendments in this ASU simplify accounting guidance by removing all incremental financial reporting requirements for development stage entities. The amendments also reduce data maintenance and, for those entities subject to audit, audit costs by eliminating the requirement for development stage entities to present inception-to-date information in the statements of income, cash flows, and stockholder equity. Early application of each of the amendments is permitted for any annual reporting period or interim period for which the entity’s balance sheet has not yet been issued (public business entities) or made available for issuance (other entities). Upon adoption, entities will no longer present or disclose any information required by Topic 915. For public business entities, those amendments are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein. Silver Eagle is currently evaluating the impact that this pronouncement would have on Silver Eagle’s financial statements.

In August 2014, FASB issued ASU 2014-15, Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern (“ASU 2014-15”). ASU 2014-15 provides guidance on management’s responsibility in evaluating whether there is substantial doubt about a company’s ability to continue as a going concern and about related footnote disclosures. For each reporting period, management will be required to evaluate whether there are conditions or events that raise substantial doubt about a company’s ability to continue as a going concern within one year from the date the financial statements are issued. The amendments in ASU 2014-15 are effective for annual reporting periods ending after December 15, 2016, and for annual and interim periods thereafter. Early adoption is permitted. Silver Eagle will adopt the methodologies prescribed by ASU 2014-15 by the date required, and does not anticipate that the adoption of ASU 2014-15 will have a material effect on its financial position or results of operations.

Silver Eagle’s management does not believe that any other recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on Silver Eagle’s financial statements.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the sensitivity of income to changes in interest rates, foreign exchanges, commodity prices, equity prices and other market driven rates or prices. Silver Eagle is not presently engaged in and, if it does not consummate a suitable business combination prior to the prescribed liquidation date of the trust account, may not engage in, any substantive commercial business. Accordingly, Silver Eagle is not and, until such time as it consummates a business combination, will not be, exposed to risks associated with foreign exchange rates, commodity prices, equity prices or other market driven rates or prices. The net proceeds of Silver Eagle’s initial public offering held in the trust account may be invested by the trustee only in permitted United States “government securities” within the meaning of Section 2(a)(16) of the Investment Company Act, having a maturity of 180 days or less or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations. Given Silver Eagle’s limited risk in its exposure to government securities and money market funds, Silver Eagle’s management does not view the interest rate risk to be significant.

INDUSTRY OVERVIEW

The information contained in this section is derived from various Government of India publications and industry sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and Government of India's publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information.

Overview of the Indian Economy

India's economic growth, reflected in higher per capita income and an increasing middle class with greater disposable incomes, has provided a foundation for the growth of pay-TV services. Recently, economic growth in India has decreased from the 8% rates achieved in 2010 and 2011. The outcome of the 2014 elections has increased political stability in India. (Source: *Media Partners Asia, India DTH Market Overview — Key Dynamics and Future Outlook, 2015 (hereinafter referred to as the "MPA Report")*)

The new Government is expected to increase the pace of reform in order to achieve long-term economic growth. These reforms aim to remove supply chain problems to improve physical infrastructure and accelerate urbanization; simplify the tax structure with the implementation of a goods and services tax ("GST"); and provide more transparent mechanisms to drive strategic investments across various sectors. (Source: *MPA Report*)

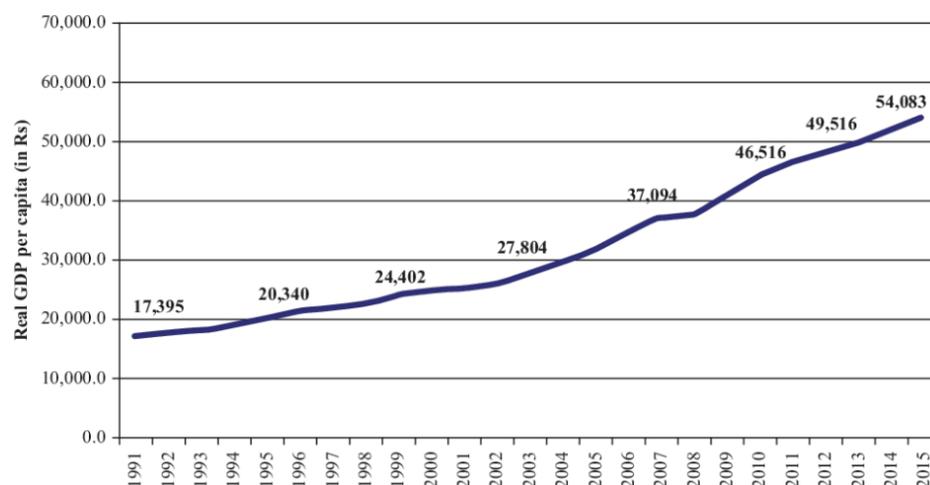
In recent times, the Indian economy had been in a state of stagflation with dwindling gross domestic product ("GDP") growth, high consumer price inflation and policy paralysis. However, recent macro indicators suggest that India's economy may be recovering. Buoyed by strong growth in service-oriented sectors, India's real GDP growth was 4.7% in the fourth quarter of the financial year 2014, an increase from the 4.4% growth for the fourth quarter of the financial year 2013. (Source: *MPA Report*)

The most encouraging aspect, however, was the reduction of the current account deficit ("CAD") to which US\$1.2 billion as of March 31, 2014 from US\$18.1 billion as of March 31, 2013. This means that CAD has fallen to 0.2% of the GDP for the fourth quarter of financial year 2014 compared to 0.9% in the third quarter of financial year 2014. The fiscal deficit has also decreased to 4.6% of the GDP as of March 31, 2014. Furthermore, the proactive steps taken by the Reserve Bank of India ("RBI") to improve foreign capital inflows has led to foreign exchange reserves exceeding US\$300 billion as of March 31, 2014. As a result, the Indian Rupee, which depreciated to an all-time low of approximately Rs.69/US\$ in August 2013, has found stability at approximately Rs.60/US\$ as of July 2014. (Source: *MPA Report*)

Equity markets have also witnessed a revival on account of the improved macro environment. During the financial year 2014, Foreign Institutional Investors ("FIIs") invested a net amount of Rs.797.1 billion into Indian equities. Encouraged by this increased FII interest, India's benchmark equity indices, Sensex and Nifty, created new lifetime highs. At the same time, Foreign Direct Investment ("FDI") continued to exhibit growth. According to the United Nations Conference on Trade and Development ("UNCTAD"), FDI flows into India grew by 17.0% over the financial year 2013 to US\$28 billion. Business confidence in India has also improved in recent months on hopes of greater political stability after the Union elections. (Source: *MPA Report*)

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The chart below illustrates India’s GDP per capita between 1991 and 2015:



(Source: MPA Report)

The Media and Entertainment Industry in India

In 2014, the Indian Media & Entertainment (“M&E”) sector continued to exhibit growth. In the year ended December 31, 2013, the M&E sector generated revenues of Rs.933.6 billion. Pay-TV industry revenues were driven by the digitalization mandate which has led to improved subscriber quality and higher ARPUs. An increase in the readership of local and regional newspapers was a key driver for the Indian print media industry, which continues to outperform its global peers. Box-office collections of movies also improved as tier-2 and tier-3 cities experienced an increase in the number of multiplexes and movie-screens. While the size of the music industry decreased, the radio industry increased with advertisers expanding their local reach. The growing penetration of internet, broadband and smart phones provided the impetus for the gaming and digital advertising sub-sectors. In the future, the M&E industry is expected to experience higher growth as the pay-TV industry benefits from the digitalization in Phase III and IV of the Government’s DAS program and is supported by the growth in regional print and the increased proliferation of new media. (Source: MPA Report).

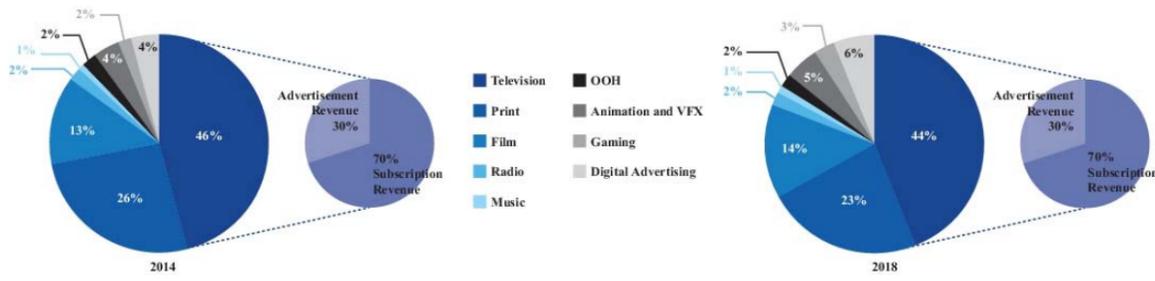
The table below illustrates the overall media and entertainment industry size between the calendar year 2008 and the calendar year 2018:

Particulars	(in billions of Rs.)											(% CAGR 2008 – 2012)	(% CAGR 2012 – 2018)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
Subscription Revenue	170.7	196.3	224.4	254.5	280.3	300.2	334.6	375.4	423.7	467.8	505.8	13.2	10.3
Advertisement Revenue	83.1	88.1	105.7	115.5	121.5	132.4	145.3	161.7	179.0	197.0	214.9	10.0	10.0
Television	253.9	284.4	330.1	370.0	401.8	432.7	479.9	537.1	602.7	664.8	720.7	12.2	10.2
Print	172.0	175.2	192.9	208.8	224.1	243.1	264.0	287.0	313.0	343.0	374.0	6.8	8.9
Film	104.4	89.3	83.3	92.9	112.4	125.3	138.0	158.3	181.3	200.0	219.8	1.9	11.8
Radio	8.4	8.3	10.0	11.5	12.7	14.6	16.6	19.0	23.0	27.8	33.6	10.9	17.6
Music	7.4	7.8	8.6	9.0	10.6	9.6	10.1	11.3	13.2	15.1	17.8	9.4	9.0
OOH	16.1	13.7	16.5	17.8	18.2	19.3	21.2	23.1	25.2	27.5	30.0	3.1	8.7
Animation and VFX	17.5	20.1	23.7	31.0	35.3	39.7	45.0	51.7	60.0	70.2	82.9	19.2	15.3
Gaming	7.0	8.0	10.0	13.0	15.3	19.2	23.5	28.0	32.3	36.1	40.6	21.6	17.7
Digital Advertising	6.0	8.0	10.0	15.4	21.7	30.1	41.2	55.1	69.7	88.1	102.2	37.9	29.5
Overall M&E Industry	592.7	614.8	685.1	769.4	852.1	933.6	1039.5	1170.6	1320.4	1472.6	1621.6	9.5	11.3

(Source: MPA Report)

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The chart below illustrates the percentage estimated revenue contribution by certain industry components in 2014 and 2018:

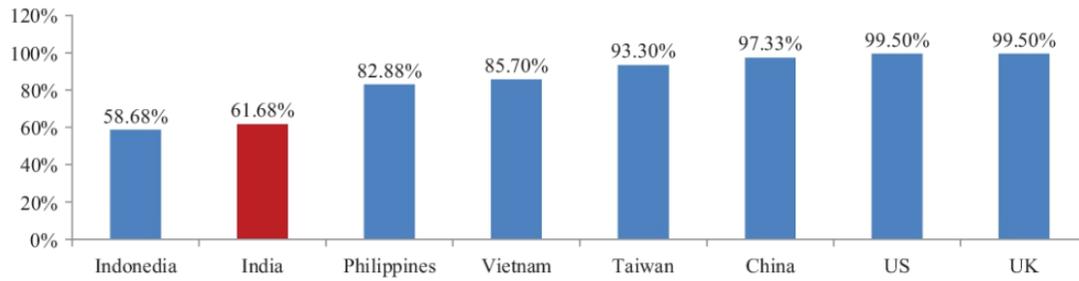


(Source: MPA Report)

Increasing Television Penetration Levels

In 2013, there were approximately 162 million television households in India, which constituted a television penetration level of approximately 61.7%. Television penetration is expected to increase to 68.0% by 2023. (Source: MPA)

The chart below illustrates the household television penetration in certain countries (CY2013):



(Source: MPA Report)

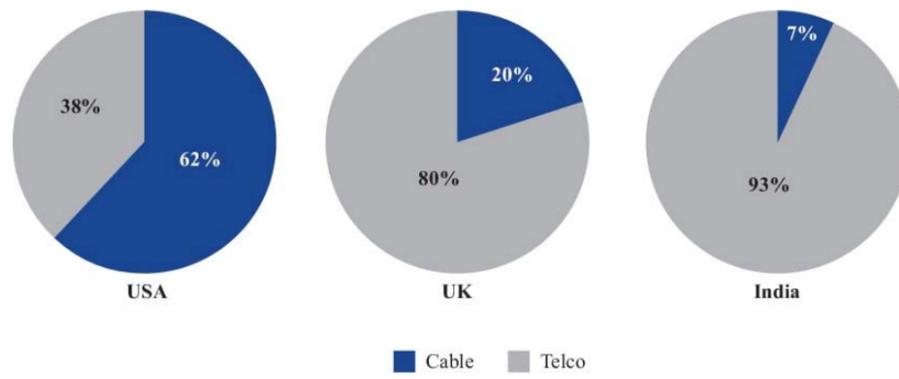
The following table illustrates the penetration of television, pay-TV and fixed broadband in India, the United States and the United Kingdom:

Country	TV households	Pay-TV Households	Fixed Broadband Household Penetration
United States of America	99%	85%	81%
United Kingdom	99%	58%	85%
India	62%	80%	6%

(Source: MPA Report)

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The share of cable broadband in India is lower than countries such as the United States of America and the United Kingdom. The charts below illustrate the percentage shares of cable and telecommunication of the broadband markets of the United States of America, the United Kingdom and India as of December 31, 2013:

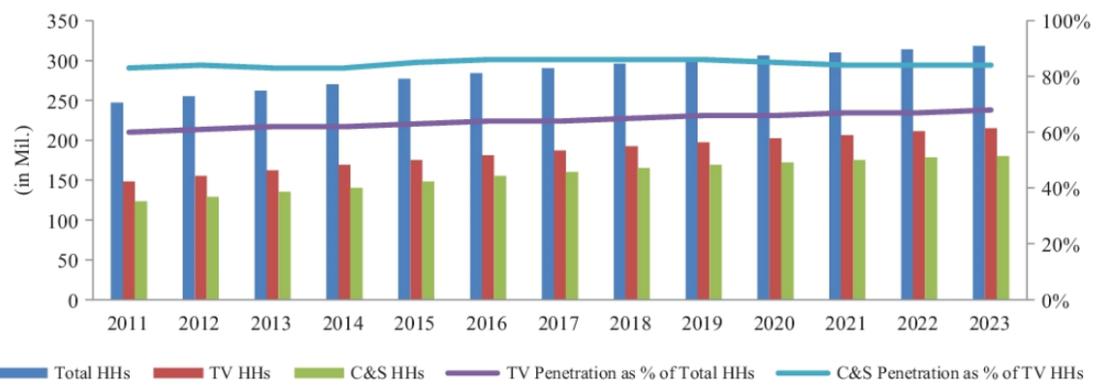


(Source: MPA Report)

The Television Industry in India

In 2014, the number of cable and satellite (“C&S”) households in India increased by 5 million to reach 140 million, representing 83.0% of television households. This paid C&S base is expected to increase to 180 million by 2023, representing 84.0% of television households. (Source: MPA Report)

The chart below illustrates the expected increase in C&S and Indian television penetration between 2011 and 2023:



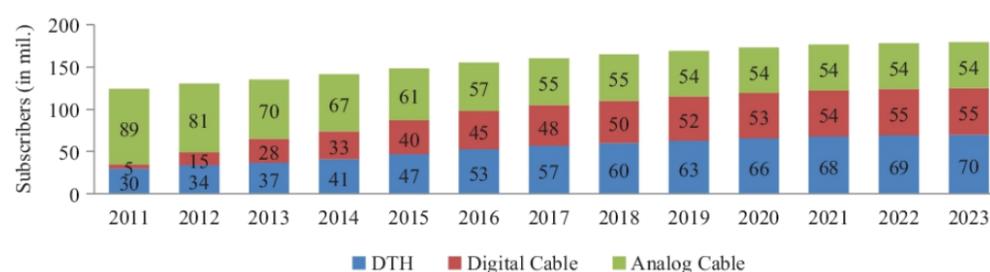
(Source: MPA Report)

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(in Mil.)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total HHs	247	255	262	270	277	284	290	296	301	306	310	314	318
TV HHs	148	155	162	169	175	181	187	192	197	202	206	211	215
C&S HHs	123	129	135	140	148	155	160	165	169	172	175	178	180
TV Penetration as % of Total HHs	60%	61%	62%	62%	63%	64%	64%	65%	66%	66%	67%	67%	68%
C&S Penetration as % of TV HHs	83%	84%	83%	83%	85%	86%	86%	86%	86%	85%	84%	84%	84%
Total C&S subscriber additions (Mil.)	10	6	5	6	8	7	5	4	4	4	3	3	2
DTH	7	4	4	4	6	6	4	3	3	3	2	2	1
Analog Cable	1	-8	-11	-3	-6	-4	-2	-1	-1	0	0	0	0
Digital Cable	1	10	13	5	8	5	3	2	2	1	1	1	1

Increasing purchasing power is expected to result in a higher number of TV homes in India. Pay-TV penetration of TV homes will also grow at a rate with increasing incidence of multiple TV set homes. By 2023, it is estimated that 70.0% of the pay-TV market will be digitalized. The Government's DAS program will be a catalyst while improved supply side factors, including healthy financial markets and investments from foreign strategic investors, will be important. Between 2015 and 2017, subscriber growth is expected to be strong as DAS implements Phases III and IV. After 2017, digital pay-TV subscriber growth is expected to decrease as consolidation and monetization will take priority. (Source: MPA Report)

The chart below illustrates the number of subscribers and the expected number of subscribers in India for the years 2011 through 2023:



(Source: MPA Report)

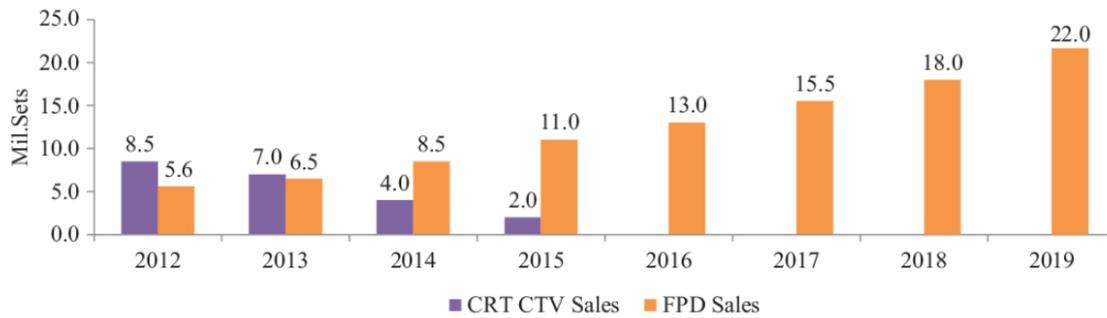
The television industry in India comprises revenues derived from television distribution, content and advertising. Television is the largest medium for media delivery in India. In terms of revenue, television represented approximately 46.0% of India's total media industry in 2013.

In 2012, the television industry in India was estimated at Rs.401.8 billion and is expected to grow at a CAGR of 10.2% between 2012 and 2018, to reach Rs.720.7 billion in 2018. Subscription charges, as a portion of total industry revenue, are expected to increase from 67.2% in 2008 to 70.2% in 2018.

(Source: MPA Report)

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The chart below illustrates television sales and expected television sales in India between 2012 and 2019:



(Source: MPA Report)

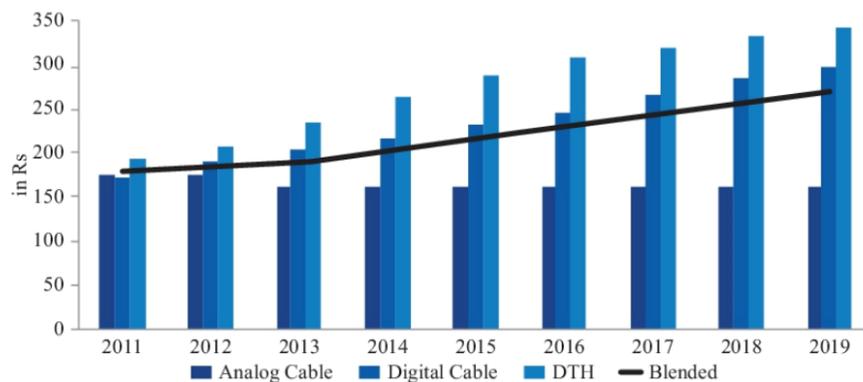
Break up of Subscription Revenue: DTH and Cable

The subscription revenue for television services in India is split. The table below illustrates the subscription revenue for DTH and cable for the period 2011 to 2019:

Subscription Revenues (million)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cable	195,024	201,690	199,771	210,569	222,955	239,107	257,345	272,781	286,671
– Analog	185,867	179,363	147,420	130,968	122,463	113,231	108,161	105,994	104,811
– Digital	9,158	22,328	52,351	79,601	100,493	125,876	149,184	166,787	181,861
DTH	59,490	78,615	100,475	124,035	152,451	184,555	210,417	233,009	253,720
Total	254,515	280,305	300,245	334,604	375,407	423,662	467,762	505,790	540,391

(Source: MPA Report)

The charts below illustrate the approximate ARPU and expected ARPU in India between 2011 and 2019:



ARPU in Rs.	2011	2012	2013	2014	2015	2016	2017	2018	2019
Analog Cable	176	176	163	160	160	160	160	160	160
Digital Cable	171	190	205	219	231	246	267	284	299
DTH	192	208	236	264	288	308	320	332	343
Blended	179	185	189	203	217	233	247	259	270

(Source: MPA Report)

Overview of the Television Industry Value Chain

Content Production

Despite the recent increase in production costs, digitalization continues to create new opportunities for content producers. For example, content producers now focus on improving the quality of content, targeting specific demographics through localized content and niche offerings. Further, owning intellectual property rights has enabled content providers to grow and attain better monetization. (Source: MPA Report)

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Broadcasters

Broadcasters have benefited most from digitalization as it has resulted in improved addressability and higher yields. The revenue mix continues to be dominated by advertising revenue. However, in the future, subscription fee growth is expected to outpace that of advertising. Improved addressability in cable and CPS-linked deals with higher consumer ARPU will be long-term growth drivers for pay-TV channel subscription revenues. Two key regulatory developments, the cap on commercial advertisement inventory and the unbundling of channel aggregators, will determine the future course of the industry. These regulations adversely impact the economics of smaller or standalone players. The industry is expected to consolidate and a more level playing field is expected to develop. (Source: MPA Report)

India TV Distribution Overview

In 2013, the industry added 5.4 million net new subscribers, taking the overall industry base to 135 million, 80.0% penetration of TV homes, including multiple subscriptions. Much of this growth has been driven by DTH satellite, which had a 66.0% share of net new additions in 2013. Cable TV subscribers numbered 97.6 million in 2013, a 72.0% market share, with 27.9 million gross digital subscribers.

Videocon d2h is the fastest growing direct-to-home, or DTH, service provider in India by acquisition of new subscribers, adding approximately 9.0 million gross subscribers during the period from April 2011 through September 2014 across India, according to data from the MPA Report. The table below sets forth the gross subscriber additions for certain operators for the periods indicated.

Operator Share of Yearly Gross Subscriber Additions

Particulars (for the period)	(in mil.)							
	FY10	FY11	FY12	FY13	FY14	Q1FY15	Q2FY15	H1FY15
Gross subscriber Additions: DTH Industry	9.70	13.40	10.98	10.63	8.78	2.81	2.43	5.24
Videocon d2h	0.44	2.42	2.62	2.55	2.43	0.76	0.61	1.37
Dish TV	1.83	3.54	2.46	2.22	1.45	0.57	0.63	1.20
Airtel Digital TV	2.25	3.29	2.44	2.22	1.81	0.57	0.45	1.02
Tata Sky	0.58	1.76	1.67	2.37	2.30	0.65	0.54	1.19
Reliance Digital TV	1.00	0.96	0.81	0.39	0.09	0.04	0.01	0.05
Sun Direct	3.60	1.43	0.98	0.88	0.70	0.22	0.18	0.40
Incremental Share (in %)								
Videocon d2h	4.5%	18.1%	23.9%	24.0%	27.7%	27.0%	25.0%	26.1%
Dish TV	18.9%	26.4%	22.4%	20.9%	16.5%	20.4%	25.9%	23.0%
Airtel Digital TV	23.2%	24.6%	22.2%	20.9%	20.6%	20.2%	18.6%	19.5%
Tata Sky	6.0%	13.1%	15.2%	22.3%	26.2%	23.1%	22.4%	22.8%
Reliance Digital TV	10.3%	7.2%	7.4%	3.7%	1.0%	1.4%	0.5%	1.0%
Sun Direct	37.1%	10.7%	8.9%	8.3%	8.0%	7.8%	7.6%	7.7%

Source: MPA

Phases III and IV of the DAS program will be critical for growth in overall digital penetration. DTH in particular is expected to play a key role in adding net new subscribers. Without monetization, digitalization is meaningless and cable multi-system operators (“MSOs”) may need to increase billing, packaging and revenue collections in Phases I and II of the DAS program, a trend that began in the first quarter of 2014. (Source: MPA Report)

Digitalization

A notable driver of TV industry value has been the advent of digital TV services, spurred largely by a well-organized and highly competitive DTH industry. DTH subscription revenues accounted for 33.5% of total pay-TV subscription revenues generated in India, and 23.5% of total TV industry revenues. Digital TV

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penetration in India is also expected to increase on account of the government mandated cable digitalization process, which accelerated after November 1, 2012. Phases III and IV will be rolled out on December 31, 2015 and December 31, 2016, respectively, and will be comprised of all other regions in the country.

The table below outlines the current digitalization deadlines and expected households to be digitalized:

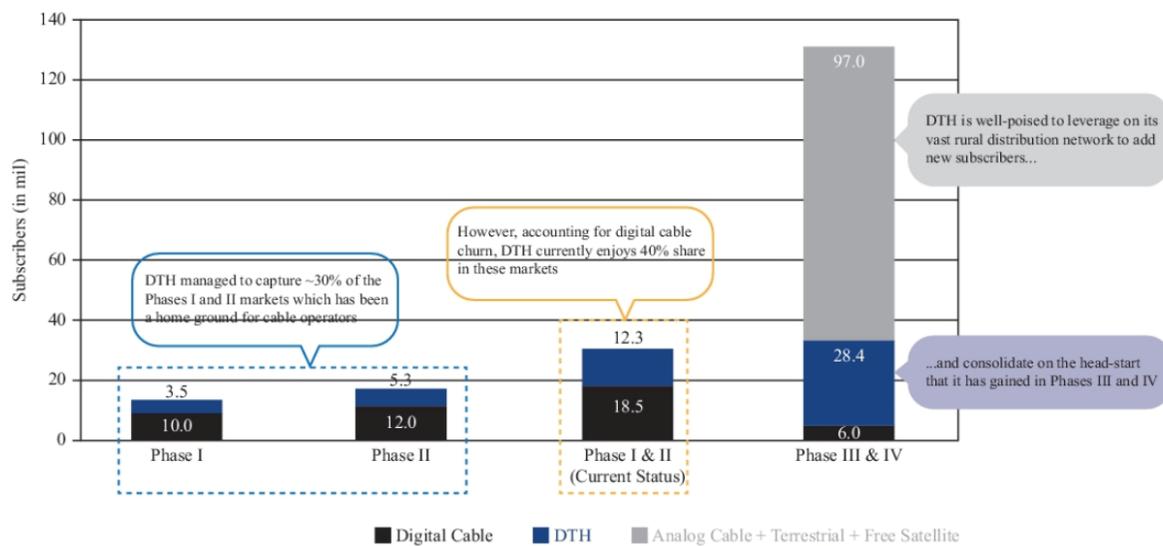
Phase	Area	Implementation Date	Number of Cities	Number of Analog Cable Homes (in millions)	Number of Digital Homes (in millions)
I	Delhi, Mumbai, Kolkata and Chennai	October 30, 2012	4	—	13.5
II	In all the cities having population over one million	March 31, 2013	38	—	17.3
III	In all other urban areas (municipal corporation/municipalities) across the country	December 31, 2015	n/a	75.6	34.4
IV	Rest of India	December 31, 2016	n/a		

(Source: MPA Report, Notification (S.O. 2308(E)) dated September 11, 2014, issued by the Ministry of Information and Broadcasting, GoI)

In November 2012, DAS Phase I was successfully implemented. The rollout was opposed by certain LCO groups and local political parties. However, despite the conflicting opinions from certain sections of the industry, the Phase I rollout was reasonably successful in Delhi, Mumbai and Kolkata. It is estimated that the top five MSOs deployed approximately 9 million STBs in Phase I markets. However, these are gross subscriptions and the platform has yet to test its initial churn numbers. Net-ARPU to MSOs have started to see improvement as operators implement gross billing and roll out packages.

Phase II has been a success in terms of digital deployment. Cable operators deployed 12 million STBs in these markets, although on-ground collections have remained below par. Digital cable managed to retain a little over 70.0% market share in DAS Phases I and II combined. The stronger presence of MSOs in Phases I and II markets enabled them to gain higher share against DTH. However, making inroads to Phases III and IV will be challenging for cable as this remains a dominant market for DTH, which has the benefit of an established distribution network spread across a much wider geography. (Source: MPA Report)

DTH to Catch up in Later Phase



(Source: MPA Report)

Advantages and Growth of DTH

In 2007, consumers had limited exposure to the benefits of digital TV. In 2007, digital TV penetration of total TV homes in the country was 3.0%, but has since increased to 40.0% in 2013. This increase was driven primarily by a 37 million aggregate active subscriber base across six DTH satellite pay-TV platforms. The growth of DTH has provided consumers with greater choice and quality through an improved viewing experience, more channels and new services such as HDTV, pay-per-view and DVRs. DTH operators have worked closely with broadcasters to program and retail attractive packages of channels at competitive prices with tiered and a-la-carte options. DTH operators have benefited through subscriber growth and, more recently, improved ARPUs while broadcasters have gained through subscription revenues as DTH operators spent a combined approximately US\$560 million on pay-TV content in 2013. *(Source: MPA Report)*

DAS vs CAS

Unlike DAS, India's two previous efforts at digitalization of Cable TV were unsuccessful. In 2003, Conditional Access System ("CAS") was made mandatory for Delhi, Mumbai, Kolkata and Chennai. While it was successful in Chennai, the move experienced problems in other cities. Similarly, in 2007, CAS was intended to be implemented in notified areas of Delhi, Mumbai and Kolkata. However, penetration levels failed to meet expectations. By contrast, the DAS mandate has witnessed unprecedented success, driven by changes in market dynamics, positive regulatory developments and, most importantly, consensus amongst stakeholders.

HD Content

Digitalization has improved addressability for broadcasters thus enabling monetization of subscriptions and has also led to rationalization of distribution costs. Digitalization has also led to improvement in the quality of content, content production and transmission. Most channels in key genres such as Hindi GECs, movies, sports and infotainment now offer HD feed. This has increased the number of HD subscribers for operators, while also improving their blended yields. The next wave of growth is expected to come from HD feeds for regional content; however, with the exception of Sun TV in south India, this has not been explored. Additionally, subsidized HD offerings will also act as a key differentiator for DTH players as cable is yet to roll out packages and push HD services across broader markets. *(Source: MPA Report)*

Growing Importance of HD

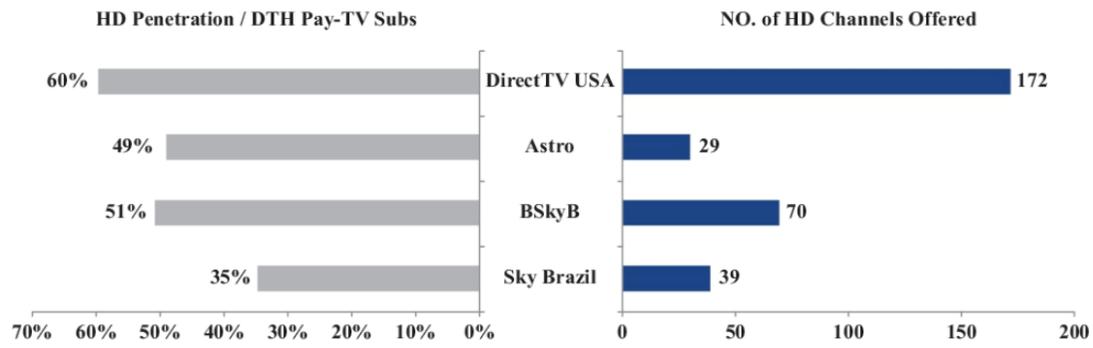
HD is expected to contribute to the industry. Although revenue growth is expected to be driven by increasing subscriber numbers as a result of the mandated cable digitalization program, an increase in high-ARPU HD subscribers is also expected. *(Source: MPA Report)*

Projected Growth of HD

It is expected that HD penetration will grow significantly in the future, rising from less than 7.0% of active DTH subscribers currently, to over 20.0% by 2020, based on benchmarks in the United States, United Kingdom, Latin America and Southeast Asia. In the United Kingdom, incumbent DTH operator BSkyB currently has more than 50.0% of its subscriber which has adopted HD. Malaysia's Astro has also demonstrated strong rates with 49.0% penetration at present on its DTH platform. An increase in HD channel offerings is critical for growth in HD penetration. However, for some mature global operators, HD penetration as a percentage of total subscribers is limited between 60.0% and 65.0%. *(Source: MPA Report)*

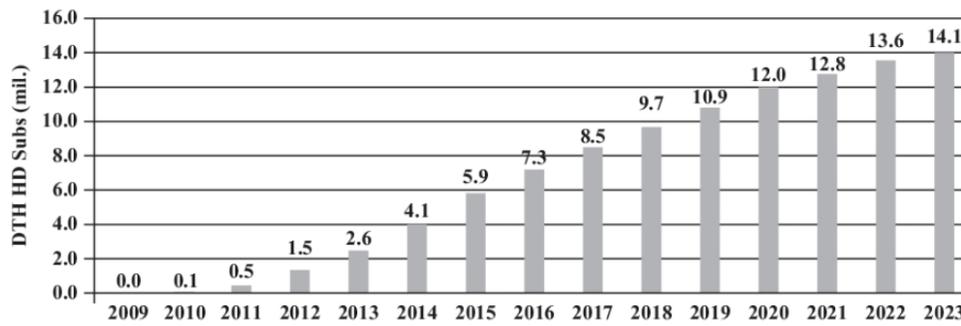
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The charts below illustrate HD penetration and channel offerings by major global operators:



(Source: MPA Report)

The following chart shows the growth of DTH HD subscribers by 2023:

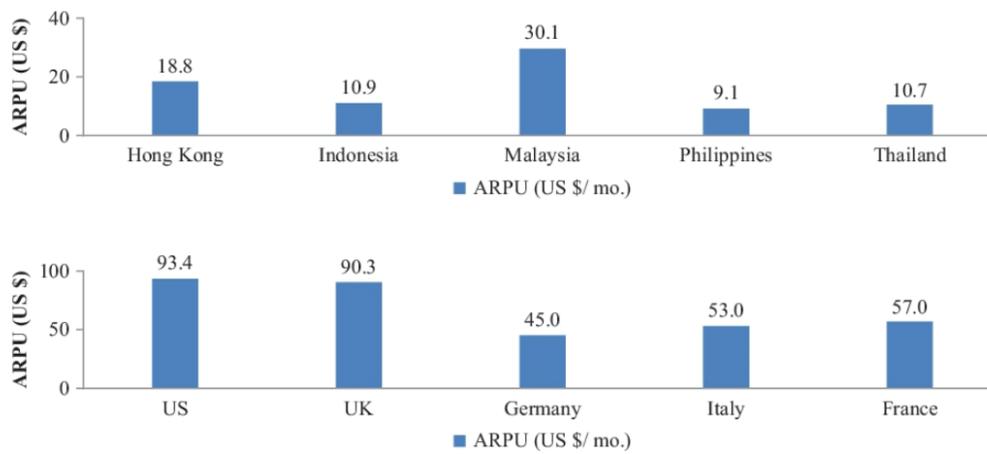


(Source MPA Report)

Growth of ARPU

Although India’s pay-TV ARPUs remain one of the lowest in the world at US\$3.2 per month, it has been showing improvements in recent years as a direct result of digitalization, smarter packaging of content and channels and the provision of value added services, such as HD and DVR. Further improvements from rational DTH and digital cable pricing and the growth of premium pay-TV are expected in the next few years. (Source: MPA Report)

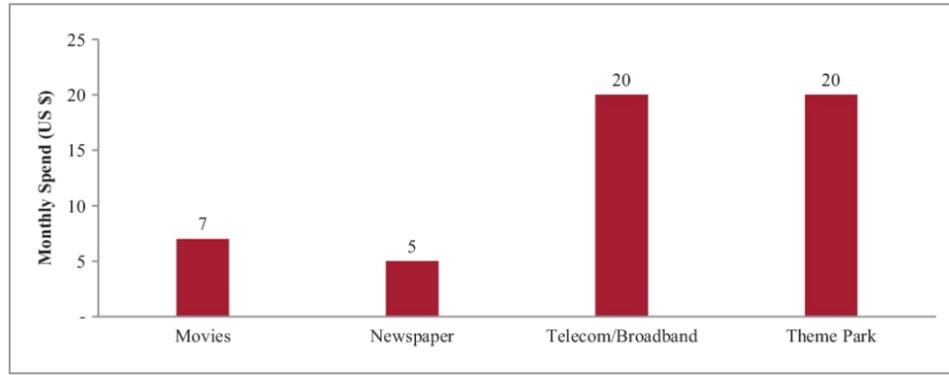
The charts below illustrate the ARPU of certain Asian countries and the United States and European countries as of December 31, 2013:



(Source: MPA Report)

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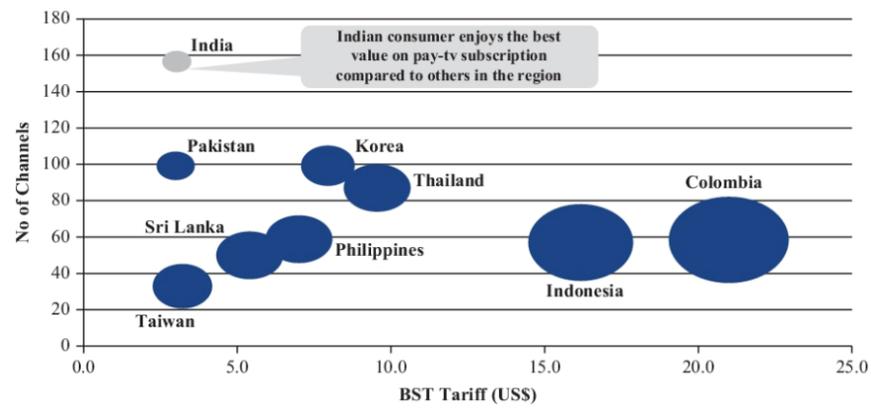
The chart below illustrates the monthly spend of a typical Indian household on movies, newspapers, telecommunication and broadband and theme parks:



(Source: MPA Report)

Comparison of Basic Tier Offering in Emerging Markets

The chart below illustrates the number of channels available in certain countries and the basic tariff price in US dollars:



[(Source: MPA Report)]

The chart below illustrates basic digital pay-TV offerings across emerging markets as of December 31, 2013:

Market	Basic Tier Cost (US \$/mo)	No. Of Channels (approx.)
India	3.0	157
Pakistan	3.0	100
Sri Lanka	5.4	50
Korea	8.0	100
Taiwan	3.2	33
Thailand	9.6	87
Philippines	7.0	59
Indonesia	16.2	57
Colombia	21.0	58

(Source: MPA Report)

DTH Drives Digital TV Growth in India

Over the past eight years, the Indian television industry has experienced significant growth in the adoption of DTV services, driven by DTH. Below are some key drivers:

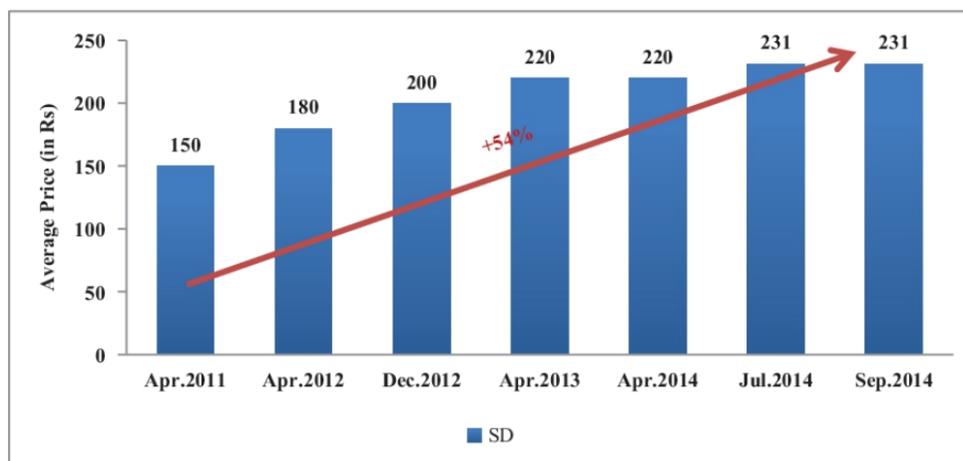
Increased awareness: Increasing competition in the six-player market has certain advantages. In recent years, consumer awareness of DTH services has improved as operators launch aggressive advertising campaigns. Consumers today are more aware of the choices available in the market and the distinct advantages of DTH over traditional analog cable services. Between 2007 and 2013, it is estimated that the DTH industry spent approximately Rs.25 billion to create consumer awareness and establish a new category in consumer electronics.

TV technology: Upgrades in television hardware technology and the growing installed base of flat panel displays and HDTVs have also played a role in the uptake of DTH services. TV manufacturers such as Samsung and LG have in the past partnered with DTH operators to market their wares jointly through retail outlets. This marketing strategy provided DTH an opportunity to play up the distinct advantages of digital TV over analog cable and gain entry into new TV homes. Videocon d2h leverages its tie-ins with Videocon, Philips and Sansui. Given the low penetration of flat panel displays and the dramatic drop in prices of hardware as a result of increasing competition, there are growth opportunities for both TV manufacturers and DTH operators in the coming years.

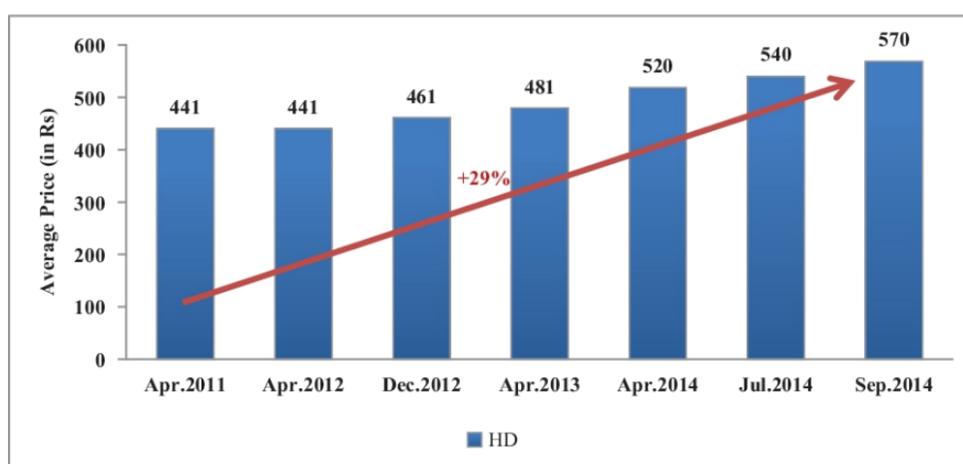
Early additions from cable-dark areas: Initial demand for DTH services came from cable-dark areas (regions not served by cable services) and smaller towns and villages. However, advertising on the part of DTH operators, growing awareness among consumers of digital TV services and the launch of advanced services such as HD, DVRs and catch-up TV has helped DTH operators convert cable consumers into high-ARPU subscribers in affluent regions (metropolitan regions and tier-1 cities), as well as in smaller towns and cities. It is estimated that gross subscriber additions have grown from approximately 1.5 million subscribers as of December 31, 2006 to 64.3 million as of December 31, 2013. *(Source: MPA Report)*

Increase in pack prices: Over the last 24 months, the base back ARPU for the platform has increased by 47.0%. Entry level pricing has been increased while the free viewing period has also been reduced from three months to zero months. *(Source: MPA report)*

The chart below illustrates the increasing trend in SD base and HD base pack prices from 2011 till 2014:



(Source: MPA Report)



(Source: MPA Report)

Recent Trend

Focus shifts from volume to profits

DTH operators are shifting their focus from increasing scale to improving profitability and value creation. Since November 2011, the industry has implemented frequent price increases for subscription packages and customer premises equipment (“CPE”). Operators have also taken steps to keep rotational churn under check, by reducing trade margins and the free viewing period for new subscribers.

Future Trends

Subscriber Quality to Improve

In the future, gross subscriber additions will gain momentum as mandatory cable digitization is implemented. The quality of subscriber additions is expected to be superior, as the switch-off of analog signals will allow DTH to further develop within urban areas and target high-ARPU subscribers, while at the same time managing churn rates. The recent increase in entry prices will also help control industry churn levels. (Source: MPA Report)

Decrease in Free Viewing Period

The table below illustrates the free viewing (“FVP”) trend for a basic pack in ROI markets:

	Mar-11	Apr-11	Mar-12	Dec-12	Apr-13	Apr-14
Average FVP (Months)	4	3	2	1	0	0

(Source: MPA Report)

DTH operators have also reduced hardware subsidies by increasing entry prices across SD and HD connections. The table below illustrates entry prices trends in the last two years. In June 2014, entry price on SD connections was increased to Rs.1,890 per connection from Rs.1,690 in financial year 2013. The table below illustrates the SD connection rate and HD connection rate for the financial years 2012 to 2014:

In Rs. per unit	FY2012	FY2013	FY2014	September 2014
SD connection rate	1,290	1,690	1,890	1,820
HD connection rate	2,200	2,490	2,390	2,000

(Source: MPA Report)

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Industry Per Subscriber Economics

	<u>Amt in Rs.</u>
Upfront revenue from new subscriber:	
Lease Rental	500
Activation charges	770
Installations charges	350
	1,620
Upfront Costs:	
Consumer Premise Equipment	2,500
Distribution Margin	625
Installation cost	350
	3,475
Upfront Cash Deficit	1,855

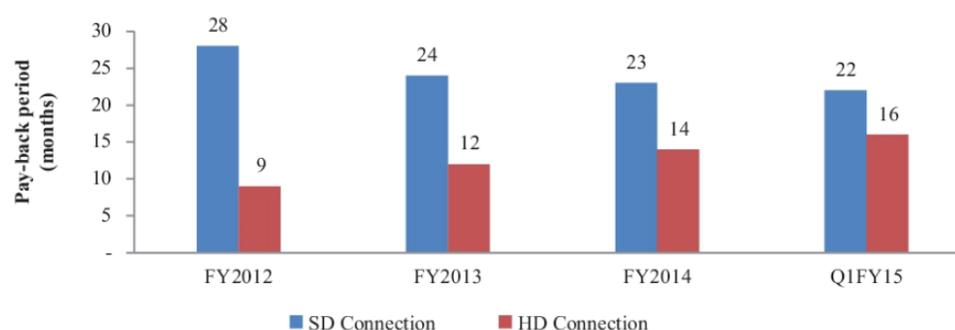
(Source: MPA Report)

Consumer Proposition

The consumer proposition remains relatively similar for all DTH operators, at least in terms of their entry-level offers, with operators charging approximately Rs.1,900. This is approximately two times the price charged by digital cable service providers. Entry-level pricing for DTH operators is expected to maintain a status quo. Competition will restrict any major price increase while the current rupee-dollar equation will not support a price cut. An intense price war with cable operators seems unlikely as this will stretch the balance sheet of cable operators which have already been under pressure. (Source: MPA Report)

DTH Pay-back Period

Due to improvement in customer realization on account of increase in package price and reduction in free viewing months as well as reduction in subsidy on account of increase in entry offer prices, average pay-back period has improved over the years.



(Source: MPA Report)

DTH Subscriptions

Market Share of DTH Operators

There are six pay DTH operators in India. The table below gives details of these DTH operators' shares of gross subscribers for the financial years 2012, 2013, 2014 and the six months ended September 30, 2014:

	<u>DTH Operators' Yearly Gross Subscribers (millions)</u>			
	<u>Six months ended September 30, 2014</u>	<u>Financial Year 2014</u>	<u>Financial Year 2013</u>	<u>Financial Year 2012</u>
Videocon d2h	11.82	10.45	8.03	5.48

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DTH Operators' Yearly Gross Subscribers (millions)

	Six months ended September 30, 2014	Financial Year 2014	Financial Year 2013	Financial Year 2012
Dish TV	17.76	16.56	15.11	12.89
Airtel Digital TV	13.43	12.41	10.60	8.38
Tata Sky	14.52	13.33	11.03	8.66
Reliance Digital TV	4.85	4.81	4.72	4.33
Sun Direct	9.41	9.01	8.31	7.43
Total	71.80	66.57	57.80	47.17

(Source: MPA Report)

DTH Operators' Yearly Gross Subscribers Additions (millions)

	Six months ended September 30, 2014	Financial Year 2014	Financial Year 2013	Financial Year 2012
Videocon d2h	1.37	2.43	2.55	2.62
Dish TV	1.20	1.45	2.22	2.46
Airtel Digital TV	1.02	1.81	2.22	2.44
Tata Sky	1.19	2.30	2.37	1.67
Reliance Digital TV	0.05	0.09	0.39	0.81
Sun Direct	0.40	0.70	0.88	0.98
Total	5.24	8.78	10.63	10.98

(Source: MPA Report)

DTH Operators' Shares of Active Subs (%)

	Six months ended September 30, 2014	Financial Year 2014	Financial Year 2013	Financial Year 2012	Financial Year 2011
Videocon d2h	19.3%	18.7%	16.5%	13.6%	9.6%
Dish TV	20.1%	20.2%	21.0%	23.3%	24.6%
Airtel Digital TV	20.3%	20.2%	20.0%	19.7%	19.4%
Tata Sky	23.9%	23.6%	22.5%	20.3%	20.1%
Reliance Digital TV	4.2%	5.0%	6.3%	8.0%	8.7%
Sun Direct	12.2%	12.2%	13.8%	15.1%	17.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

(Source: MPA Report)

Operator Share of Active (Paying) Subscriber Additions (%)

	Six months ended September 30, 2014	Financial Year 2014	Financial Year 2013	Financial Year 2012
Videocon d2h	37.0%	33.5%	38.2%	36.7%
Dish TV	17.4%	15.4%	3.2%	16.2%
Airtel Digital TV	21.0%	22.2%	21.3%	21.9%
Tata Sky	31.9%	30.7%	39.0%	21.0%
Reliance Digital	-18.8%	-3.2%	-6.0%	3.7%
Sun Direct	11.6%	1.4%	4.2%	0.5%
Total	100.0%	100.0%	100.0%	100.0%

(Source: MPA Report)

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Net Active Additions by Global Players

The table below illustrates the net active additions by global players in the market as of December 31, 2012 and December 31, 2013:

Net Active Addition/Operator	As of December 31, 2012	As of December 31, 2013
Videocon d2h	1,540,000	16,90,000
Naspers (Africa)	1,218,000	1,320,000
Astro	181,000	166,000
Cignal	184,000	161,000
Direct TV-US	199,000	169,000
Direct TV-Latin America	2,357,000	1,340,000
KT SkyLife	529,000	390,000
MNC Sky Vision	558,000	579,000
SingTel	45,000	20,000
Sky TV New Zealand	748	10,127
Sky UK	101,000	134,000
True Visions	83,000	19,000

Note: D2h Numbers are as per financial years 2013 and 2014.

(Source: MPA Report)

Product Offering

The table below provides the number of linear channels and services for each DTH operator as of November 20, 2014:

Channel Summary	Videocon d2h	Dish TV	Tata Sky	Big TV	Airtel
SD Channels	335	350	275	253	323
Asli HD Channel	29	38	25	10	25
Total Channels	364	388	300	263	348
Services	144	104	102	61	92
Total Channels and Services	508	492	402	324	440

(Source: MPA Report)

The table below provides details on the number of regional channels for each DTH operator as of November 20, 2014:

	Videocon d2h	Dish TV	Tata Sky	Big TV	Airtel
Total Regional Channels	185	175	145	129	168
Tamil	35	25	28	23	30
Telugu	25	29	20	20	18
Malayalam	21	16	19	15	18
Kannada	18	12	12	13	18
Bengali	17	23	12	12	17
Marathi	12	14	12	11	12
Other Regional	57	56	42	35	55

(Source: MPA Report)

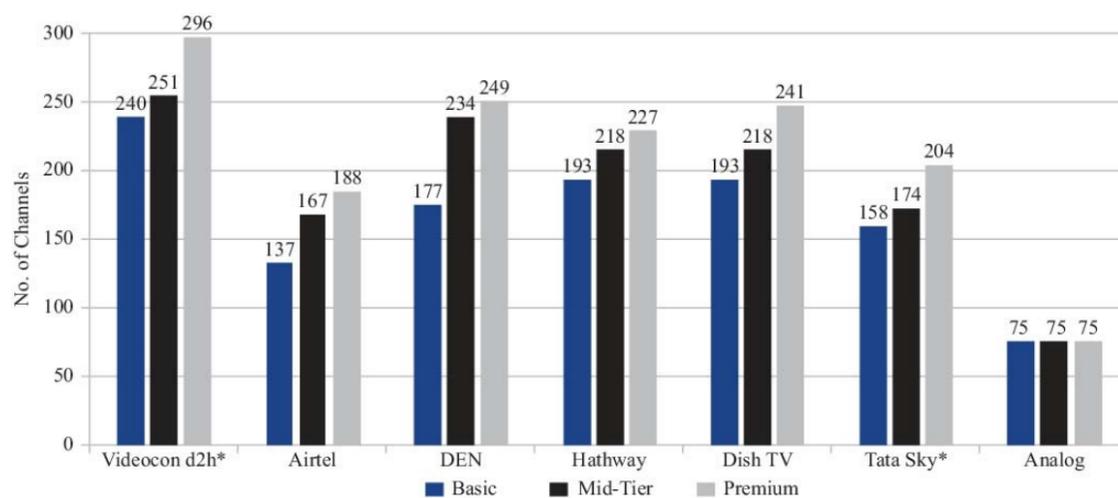
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Key KPIs of Major Cable MSO in India as of March 31, 2014:

Current Scenario	DEN	Hathway	IN Cable	Siti Cable	Digi Cable	Asianet	Ortel
MSO Launch Date	2007	1998	1995	1995	2009	1993	1995
Major region of operation	North	West + South	West	East	Punjab + East	South (Kerala)	East (Orissa)
Subscriber Reach	13,000,000	11,500,000	8,240,000	10,000,000	5,700,000	1,200,000	805,389
Digital Subscribers	6,100,000	8,000,000	2,740,000	4,000,000	2,850,000	560,000	69,873
HD Subs as% of Digital subs	0.2%	0.5%	0.7%	0.4%	0.2%	2.5%	N/A
Analog Subscribers	6,900,000	3,500,000	5,500,000	6,000,000	2,850,000	640,000	735,516
Primary Points	200,000	644,000	100,000	0	97,000	630,000	406,135
Broadband Subs	5,000	440,000	30,000	35,000	85,000	120,000	54,427
Cable ARPU (US \$Mo.)	3.0	3.1	2.0	3.0	3.0	2.8	3.0
Broadband ARPU (US \$/Mo.)	N/A	5.7	4.0	6.8	7.1	9.6	7.0

(Source: MPA Report)

The table below provides a comparison of basic, medium and premium tiers of DTH operator subscription packages in India as of November 20, 2014:



* HD channels offered by Videocon d2h and Tata Sky have been excluded

(Source: MPA Report)

Sports and general entertainment channels (“GECs”) act as HD catalysts: In India, following a run of major cricketing events in early 2011, the introduction of major Hindi GECs in HD has been critical in maintaining HD growth. Currently, 43 true HD (i.e. not up-converted) channels are available, and operators expect several new HD channel launches in the coming years. In the DTH space, Videocon d2h and Dish TV offer the most number of HD channels.

Technology

Due to a lack of transponders in India, many operators are struggling to increase channel availability and provide new channels.

Short Term Capacity Constraints

In terms of satellite capacity, Dish TV India Limited, Bharti Telemedia Limited (operating under the “Airtel Digital TV” brand) and Videocon d2h Limited (operating under the “Videocon d2h” brand) are considered the best positioned. Videocon d2h offers over 500 channels and services, the highest in the industry (including the highest number of regional channels), followed by Dish TV, which offers 492 channels and services.

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Tackling capacity constraints

Having a clear road map for building satellite capacity is critical for DTH operators to ensure long term competitiveness. Restricted by the spectrum crunch and the falling reliability of INSAT satellites have resulted in instances where India’s DTH operators are migrating to foreign satellites. In 2010, Sun Direct shifted several channels to Measat after INSAT 4B, which hosted its channels, encountered a major technical problem. Likewise, in 2011, Airtel Digital had to transition subscribers from Insat 4CR to SES 7.

Tata Sky, which until recently was behind in terms of channel offerings, is upgrading its subscribers from MPEG-2 to MPEG-4 STBs. This will enable the company to substantially expand its channel suite, especially in HD. However, it will cost Tata Sky Rs.9 billion to complete this exercise. Tata Sky has already added a number of SD and HD channels in the last few months.

Dish TV has been the most efficient at managing satellite capacity, enabling it to carry the highest number of channels. Its 350 SD channels include 59 channels offered as pass through from DD Freedish, which will expand to 120 channels by CY 2014 as DD Freedish expands its capacity. The successful SES-8 satellite launch in December 2013 will enable Dish TV to further augment its capacity. Dish TV aims to completely shift to MPEG-4 compression at some point, since the STBs for its new subscribers support MPEG-4.

Already supporting MPEG-4 compression and DVB-S2 transmission, Videocon d2h offers the highest number of regional channels, which is a strong driver of monthly subscriber additions. The improved efficiency of these compression standards has enabled Videocon d2h and Airtel Digital to offer more interactive services.

The table below illustrates the satellite capacity of DTH operators in India as of June 30, 2014:

	Dish TV India Limited	Tata Sky Limited	Bharti Telemedia Limited (operating under the “Airtel Digital TV” brand)	Sun Direct TV Private Limited	Reliance Big TV Limited	Videocon D2h Limited (operating under the “Videocon d2h” brand)
DTH Launch Date	2004	2006	2008	2008	2008	2009
Satellite	NSS6, Asiasat 5, SES-8*	Insat 4A	Insat 4CR, SES 7	Measat 3, Insat 4B	Measat 3	Singtel 2
Orbital Slot	95E, 100.5E	83E	74E, 108.2E	91.5E, 93.5E	91.5E	88E
Number of Transponders	10+4	12	11	4+2	9	10
TP Bandwidth	36 Mhz, 54 Mhz	36 Mhz	36 MHz	36 Mhz	36 Mhz	54 Mhz
Video Compression Technology	MPEG-2	MPEG-4/ MPEG-2	MPEG-4	MPEG-4	MPEG-4	MPEG-4
Transmission Standard	DVB S	DVB S	DVB S2	DVB S	DVB S	DVB S2
Total Bandwidth (MHz)	648	432	392	180	324	540
Equivalent Bandwidth (Mhz)#	648	432	634	281	421	864

*Note — * Received one transponder but not operational as on end-June-2014.*

Equivalent Bandwidth: MPEG 2 + DVB S – 1x, MPEG 4 + DVB S – 1.3x, MPEG 4 + DVB S2 – 1.6x

(Source: MPA Report)

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Differentiation Via Set Top Box

Technologies deployed within set-top boxes are essential in delivering a quality consumer proposition and also differentiate one provider from another. Compression standards such as MPEG-4, combined with transmission standards like DVB S2, have helped newer operators like Videocon d2h manage their satellite bandwidth and compress more channels per transponder. Although the improvement that these standards have on picture quality is debatable (despite it being highlighted by many operators in their advertising), it has helped serve as a minor differentiator from one operator to another. Likewise, the quality and scalability of middleware deployed within STBs has helped operators launch additional value-added services (VAS) such as interactive services and on-demand and catch-up TV. (Source: MPA Report)

Major Disputes between Distribution Network and Broadcaster since FY 2013 till Date.

Particular's	D2H	Airtel	Dish TV	Big TV	Tata Sky	Sun Direct	Hathway	DEN
Key Driver Broadcasters								
Indiacast UTV Disney	😊	😊	😞	😊	😊	😊	😊	😊
Star India	😊	😊	😞	😞	😊	😊	😞	😊
Zee & Turner	😊	😊	😊	😞	😊	😊	😞	😊
One Alliance	😊	😊	😊	😞	😊	😊	😞	😞
Sun Channels	😊	😞	😊	😞	😊	😊	😊	😊
Sports Broadcasters								
Star Sports	😊	😞	😞	😞	😊	😊	😞	😊
Ten Network	😊	😊	😊	😊	😊	😞	😊	😊
Neo Sports	😊	😊	😊	😊	😞	😊	😊	😊
Other Broadcasters								
NDTV	😊	😊	😊	😊	😊	😊	😊	😊
MAA Channels	😊	😊	😊	😊	😊	😊	😊	😊
Sahara Channels	😊	😊	😊	😞	😊	😊	😊	😊
Times Channels	😊	😊	😊	😊	😊	😊	😊	😊

(Source: MPA Report)

Content Partnership

To keep up with evolving technology, which has been rapidly changing consumers' viewing habits, choice and delivery of content, collaboration between broadcasters and operators becomes highly critical in the overall pay-TV ecosystem. Operators which enjoy strong and cordial relationships with broadcasters are thus better placed for long term monetization of subscription revenues, both in terms of volume and value share. In India, the regulators have intervened previously to ensure that there is a balance between the operators and broadcasters.

In February 2014, Telecom Regulatory Authority of India issued new regulations to significantly limit the role of channel aggregators. The new regulations prevent aggregators from: (1) publishing reference interconnect offers ("RIO", which form the basis of wholesale bouquet/channel agreements), and (2) entering into agreements with distributors. These functions will only be assumed by broadcasters directly. Aggregators can continue to exist as authorized agents, but only in the name and on behalf of the broadcaster. The broadcaster must ensure that the aggregator does not alter the bouquet of channels stipulated in its RIO. Significantly, the aggregator cannot bundle channels and bouquets of multiple broadcasters.

The one exception is that broadcasters belonging to the same promoter group can bundle their channels. This potentially benefits domestic incumbents such as Star and Zee. However, more significantly, the new guidelines allow for distribution platforms to negotiate rates with broadcasters which are mutually acceptable and closer to market reality.

Over 2013 and 2014, the industry experienced several disputes between broadcasters and aggregators and platforms which forced several operators to carry individual channels on an à-la-carte basis at RIO rates. For cable, frequent black outs of channels may upset end-subscribers and the LCO who might decide to move its entire network to a competing MSO, leading to the swapping of STBs. With regard to DTH, which offers several channel packages, frequent switch offs might result in higher churn or on a sustained basis and may weaken the consumer proposition for a given tier, thereby having an adverse impact on its new subscriber

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additions. Procuring channels on RIO is an expensive proposition due to TRAI’s stipulated two-part rate increase, a 15.0% increase effective April 1, 2014 and a further 12.5% increase to take effect from January 1, 2015). (Source: MPA Report)

Videocon d2h was the first platform for several HD channels in India. Some key channels which Videocon d2h first brought to consumers include: Star Plus HD, Zee TV HD, Colors HD, Star Gold HD, Star Sports HD-1, Star Sports HD-2, Star world HD, Star Movies HD, Discovery HD and National Geographic Channel HD. (Source: MPA Report)

Distribution Spread of India

The chart below illustrates the distribution spread of India of consumer electronics and home appliances, cable hardware and mobile outlets and reflects the amount of subscribers gained through these outlets, as of November 30, 2014:

Particulars	Channel Partners		
	Consumer Electronics outlet	Hardware outlet	Mobile Shops
Universe	35,000	45,000	20,000
Average Sales Contribution %	50%	40%	10%
Average DTH Industry Penetration %	57%	67%	85%
Videocon d2h Average Penetration %	80%	78%	75%

(Source: MPA Report)

Videocon d2h: Direct Service Network

The chart below illustrates the percentage of installation (direct network for acquisition) and servicing (direct network for service) carried out by direct service centers owned by Videocon d2h:

250+ DSC at 200 Top Cities	}	97%+ First time Installation within 4 HRS
1600+ Resident Engineers in DAS 3/4		85%+ Fault Repair within 6 to 8 HRS
25,000+ Total Workforce in Service		

(Source: MPA Report)

Future Outlook on India’s Pay-TV Market

Industry at a Glance	Year 2018			
	DTH	Cable TV	Free Dish	OTT
Platform				
Active Subscribers (in mil.)	60	105	20	10
Number of Channels – SD	600	500	250	300
Number of Channels – HD	75	75	0	0
ARPU – US	\$6	\$4	NIL	\$ 1
Other Services	TVE	TVE & Broadband	—	—
% Subscribers Multiple Services	3%	3% of Digital Subscribers	—	—
Subscription Revenue (US \$)	4 billion	4.7 billion	—	30 million

(Source: MPA Report)

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Business Model: DTH & Digital Cable

<u>Current Scenario</u>	<u>Cable-Primary</u>	<u>Cable-Secondary</u>	<u>DTH</u>	<u>Post Digitalization: 2018</u>	<u>Cable-Primary</u>	<u>Cable-Secondary</u>	<u>DTH</u>
Last mile penetration	5%	95%	100%	Last mile penetration	25%	75%	100%
ARPU	260	240	280	ARPU	360	335	400
Taxes/Licenses Fees	20%	12%	30%	Taxes/Licenses Fees	20%	12%	30%
LCO Share	—	95	—	LCO Share	—	133	—
Wtg Avg. Margin	120		195	Wtg Avg. Margin	194		280
Content Cost	60		77	Content Cost	90		100
Operating Cost	40		58	Operating Cost	50		60
Operational EBITDA	20		60	Operational EBITDA	54		120
Carriage Revenue	50		5	Carriage Revenue	35		5
Total EBITDA	70		65	Total EBITDA	89		125

(Source: MPA Report)

VIDEOCON D2H'S BUSINESS

Overview

Videocon d2h is the fastest growing direct-to-home, or DTH, pay-TV service provider in India by acquisition of new subscribers, adding approximately 9.0 million gross subscribers during the period from April 2011 through September 2014 across India, according to data from the MPA Report. Videocon d2h distributes multiple digital television channels and allied video and audio services to subscribers via direct satellite feeds as part of its DTH services. Videocon d2h brings its subscribers quality digital television viewing and, as of September 30, 2014, it carried over 500 national and international channels and services, including 29 high definition, or HD, channels and 41 audio and video channels as part of its Music Channel Services. Videocon d2h commenced DTH operations in July 2009 and has since grown to a gross subscriber base of 11.82 million and a market share of 16.5% in the DTH market in India as of September 30, 2014 according to the MPA Report. Videocon d2h provides its services throughout India and believes it is well positioned to capitalize on the growth opportunities in the Indian DTH market.

Videocon d2h distributes multiple television channels and services through equipment installed at the end consumers' premises which allows a subscriber to directly receive programming from leased satellite through a satellite-dish antenna and low-noise block filter ("LNBF") which is then de-coded by a digital receiver called a set-top box. Videocon d2h uses MPEG-4 technology, which permits high compression for video and DVB-S2 technology to facilitate more efficient transmission of satellite signals. Videocon d2h has leased Ku-Band space capacity on the ST-2 satellite of SingTel, which was launched on May 21, 2011 and has an estimated useful life through 2026. Videocon d2h currently leases ten 54 Mhz transponders on the satellite. Videocon d2h has also launched in the month of January 2015 4K set-top boxes in India for 4K transmission through satellite to coincide with the ICC Cricket World Cup being held in February 2015. The MIB has announced a four-phase digitization process for cable television in India with an end date of December 31, 2016 for complete implementation. As a result, the cable television industry in India will be transitioned to the digital addressable cable TV system, or DAS, for television distribution, and all cable operators will be legally bound to transmit only digital signals. Videocon d2h believes that this is a key growth opportunity as it believes that a significant portion of current analog cable television subscribers will switch to DTH services.

Videocon d2h benefits from its relationship with the Videocon Group. Videocon d2h believes that the "Videocon" brand is well recognized in India. The Videocon Group has diversified interests in consumer electronics, oil and gas, power, retail and insurance, among others. The Videocon Group's flagship entity is Videocon Industries, a company with its securities listed on BSE, NSE, the Luxembourg Stock Exchange and the Singapore Stock Exchange and with a market capitalization on the NSE of Rs.53,536 million as of September 30, 2014. Videocon Industries has one of the largest distribution networks of consumer electronics and home appliances in India. The Videocon Group is one of the only businesses in India that manufactures televisions, including televisions with built-in set-top boxes. Videocon d2h believes that the cross-selling of its services through the Videocon Group's television business increases its marketing opportunities.

Videocon d2h's vision is to be a DTH industry innovator with the most advanced products and services, the highest brand recognition and the most satisfied customer base in the Indian DTH industry. Videocon d2h has already made strides towards realizing its vision. Videocon d2h was ranked as one of the most successful launches in 2009 (the year it commenced offering services) by the Brand Derby survey, undertaken by the Business Standard. Videocon d2h received "Asia's Most Promising Brand Award 2012 – 2013" and "Asia's Most Promising Brand Award 2013-2014" in the DTH category from iBrands 360 (Iconic Brands 360), a World Consulting and Research Corporation enterprise. Videocon d2h has also been endorsed as one of the top brands by the Economic Times Best Brands award in October 2014.

Videocon d2h believes that the Transaction will further the growth of its business through the infusion of capital and the support of leading media executives Harry E. Sloan and Jeff Sagansky on its board of directors.

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History

Videocon d2h was incorporated on November 22, 2002 in Maharashtra under the Companies Act 1956, as a public limited company under the name “Bharat Business Channel Limited”. The name was changed to “Videocon d2h Limited” with effect from July 1, 2014. Videocon d2h commenced DTH operations in July 2009. It has grown its subscriber base from 0.44 million gross subscribers as of March 31, 2010, representing approximately 1.9% of the total DTH gross subscriber base in India to 10.45 million gross subscribers as of March 31, 2014, representing approximately 15.7% of the total DTH gross subscriber base in India, according to the MPA Report. As of September 30, 2014, Videocon d2h had 11.82 million gross subscribers, which represented approximately 16.5% of the total DTH subscriber base in India according to the MPA Report. For the 2013 and 2014 fiscal years and the six months ended September 30, 2014, Videocon d2h had approximately 24.0%, 27.7% and 26.1%, respectively, of the incremental market share of the DTH subscriber base in India, according to the MPA Report.

The following table shows major events in Videocon d2h’s history:

<u>Calendar Year</u>	<u>Event</u>
2009	DTH services launched in July 2009
2010	Achieved one million gross subscriber base
2011	Launched the HD DVR with 3D
2011	Achieved three million gross subscriber base
2012	<ul style="list-style-type: none">• Achieved five million gross subscriber base;• Title sponsor of the Kings XI Punjab cricket team in the Indian Premier League 2012; and• Achieved six million gross subscriber base
2013	Achieved eight million gross subscriber base
2014	<ul style="list-style-type: none">• Achieved 10 million gross subscriber base• Sponsored an Indian Super League team (FC Goa)
2015	<ul style="list-style-type: none">• Launch of 4K set-top boxes in January 2015

Awards, Certifications and Recognitions

Videocon d2h has received the following, awards, certifications and recognitions:

<u>Calendar Year</u>	<u>Award/Certification/Recognition</u>
2009	Recognized as one of the most successful brand launches across product categories at the Business Standard Brand Derby survey
2012	Received a silver trophy for the ‘Best Search Engine Optimization Campaign’ by the Indian Digital Media Awards 2012
2013	Recognized as ‘Asia’s Most Promising Brand 2012 – 2013’ in the DTH category by iBrands 360 (Iconic Brands 360), a World Consulting and Research Corporation enterprise
2014	Endorsed as one of the top brands by the Economic Times Best Brands 2014 Recognized as “Asia’s Most Promising Brand 2013 – 2014” in the DTH category by iBrands 360 (Iconic Brands 360), a World Consulting and Research Corporation enterprise

Vision and Strengths

Videocon d2h's vision is to be a DTH industry innovator with the most advanced products and services, the highest brand recognition and most satisfied customer base in the Indian DTH industry. Videocon d2h believes that the following are its principal strengths that will allow it to realize this vision:

Fastest growing DTH player in India

Videocon d2h is the fastest growing DTH service provider in India by acquisition of new subscribers, according to data from the MPA Report, adding approximately 9.0 million gross subscribers during the period from April 2011 through September 2014 across India.

Videocon d2h provides DTH services at competitive rates in order to increase its subscriber base and to allow its consumers to have access to quality digital programming. Videocon d2h believes that as a result of the increasing urbanization in India, customers are shifting towards high value-added offerings such as HD channels. Towards this end, Videocon d2h offers premium offerings of channels and services, including HD channels, regional channels and a range of value-added services that Videocon d2h believes will contribute to growing its subscriber base.

Videocon d2h seeks to offer as many popular channels as possible to subscribers, including regional language channels, and to offer new channels ahead of its competitors, which it believes increases subscriber satisfaction and encourages new subscribers to sign up for services. Through its diverse range of value-added services, including audio and video Music Active Channel Services, tickers and content-recording features, Videocon d2h provides a range of programming options to subscribers in addition to its channel offerings.

Demonstrated ability to increase ARPU while managing churn

Videocon d2h has demonstrated an ability to increase its average revenue per user, or ARPU, while decreasing its subscribers who have not paid for 120 days or more, or churn, rates. Videocon d2h's ARPU increased from Rs.150 in the 2013 fiscal year to Rs.181 in the 2014 fiscal year and Rs.190 in the six-month period ended September 30, 2014 while decreasing its churn rate from 0.97% in the 2013 fiscal year to 0.76% in the 2014 fiscal year and to 0.65% for the six-month period ended September 30, 2014. Videocon d2h attempts to maximize value to subscribers by offering channels and value-added services through a simple "three tier" selection of subscription packages composed of entry-level, mid-tier and high-end subscription packages. Videocon d2h believes that offering channels through this structure eases the subscribers' decision-making process and enables them to choose larger sets of channels, which in turn allows us to maximize ARPU.

Videocon d2h manages churn through a dedicated subscriber management team that focuses on converting inactive customers to active customers. The subscriber management team undertakes focused one-on-one interactions with customers through (i) calls in 13 languages; (ii) Interactive Voice Response, or IVR, which provides automated calls in 18 languages, and (iii) short message service, or SMS, messages to set-top boxes based on the different profiles of the subscribers.

Technology advantage that enables broadest content range

Videocon d2h uses MPEG-4 technology, which permits high compression for video and DVB-S2 technology to facilitate more efficient transmission of satellite signals. Videocon d2h leases ten 54 Mhz transponders with Ku-Band space capacity on the ST-2 satellite of SingTel. As of November 20, 2014, the MPEG-4 technology and access to these ten transponders allow Videocon d2h to transmit over 500 channels and services.

Videocon d2h provides subscribers with a range of subscription packages, value-added services and customer support services. As of September 30, 2014, the MPEG-4 technology and access to these 10 transponders allowed Videocon d2h to offer over 500 international, national and regional digital channels and services, including 29 HD channels, three movie channels and 41 audio and video channels as part of its Music Channel Services through several subscription packages, as well as the option of choosing add-ons and a la carte channels, which is the broadest content range amongst DTH operators in India according to the MPA Report.

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Videocon d2h offers competitively priced subscription packages, which provides its subscribers with an economical choice for the wide range of content that it offers. Videocon d2h's programming agreements with broadcasters and channel distribution companies for the provision of channels generally have terms ranging from one year up to five years, which helps ensure the long-term provision of content to subscribers.

In order to provide a differentiated customer user experience, Videocon d2h offers customers value-added services such as "12 Picture-in-Picture Mosaic", a feature that provides an on-screen mosaic of the current programming of up to 12 channels; the "Electronic Program Guide", a graphical user interface to browse channels and program schedules; "Movie Channel Services", which offers movie channel services to subscribers; "Music Channel Service"; "HD 3D Active Channel Service"; and screen "tickers", which appear at the bottom of the screen displaying sports scores, stock market data and news updates. Videocon d2h was also one of the first companies in India to offer radio frequency DTH remote controls and wireless DTH headphones. For further details on Videocon d2h's subscription packages, hardware products and services, see "*DTH Subscription Television Services*".

Strong experience programming tailored package products

Videocon d2h's technological advantage, enabling it to provide the broadest content range of any DTH operator in India according to the MPA Report, also allows it to offer its subscribers with access to three Movie Channel Services and 41 audio and video channels as part of its Music Channel Services. Videocon d2h's strong experience in programming its offering of Movie and Music Channel Services has enabled it to gain a deep understanding of the preferences of the Indian consumers in order to package products that appeal to its target demographics. Videocon d2h believes that these tailored offerings allow it to offer subscribers a platform of differentiated content which sets it apart from other DTH operators in India.

Superior customer experience through extensive direct service center network

Videocon d2h offers its services throughout India with a wide distribution network and a presence across urban, semi-urban and rural parts of India. Videocon d2h believes that it has an extensive distribution network that enables it to reach out to customers across India. As of September 30, 2014, Videocon d2h had over 2,800 distributors and direct dealers, over 150,000 sub-dealers and recharge counters and a team of 365 sales executives working in 25 offices that sign up new distributors and dealers to expand its network. Videocon d2h appoints distributors based on certain key criteria, such as location, potential for expansion, technological competence and business type. Videocon d2h also provides discounts to the members of its distribution network to augment sales. Videocon d2h believes that this enables it to have a more effective distribution network.

Videocon d2h believes that after-sales service is key to its growth and success. As of September 30, 2014, Videocon d2h had 254 direct service centers, over 720 service franchisees and direct sales and service dealers and over 6,650 customer support staff comprising over 2,450 engineers, over 1,300 assistants, over 790 coordinators, over 1,640 residential service engineers and over 450 back-end support staff. The direct service centers are operated by Videocon d2h and are present in 192 locations in India's major cities, where a large portion of the subscriber base is located. This allows Videocon d2h to provide customers with timely and quality customer care, which enhances customer loyalty. Typically, subscribers are activated within four hours from signing up for one of Videocon d2h's packages, and customer support staff are able to respond on-site within six to eight hours of Videocon d2h receiving a customer's call.

In addition to the service centers, Videocon d2h provides customers with access to call centers, which operate on a 24 hours seven days a week basis, for troubleshooting and for other inquiries. These call centers cater to nine regional Indian languages, in addition to English and Hindi.

Strong financial momentum

Videocon d2h's strong growth in gross subscribers has also been accompanied by robust revenue growth, as total revenue grew 56.2%, from Rs.11,295.47 million in the 2013 fiscal year to Rs.17,644.10 million in the 2014 fiscal year and 36.9%, from Rs.8,113.04 million in the six-month period ended September 30, 2013 to Rs.11,108.97 million in the six-month period ended September 30, 2014. Videocon d2h's ARPU increased from Rs.150 in the 2013 fiscal year to Rs.181 in the 2014 fiscal year and

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Rs.190 in the six-month period ended September 30, 2014. Furthermore, content costs as a percentage of revenue have declined from 40.5% in the 2013 fiscal year to 34.1% in the 2014 fiscal year, 35.1% in the six-month period ended September 30, 2014 while employee benefit expenses as a percentage of revenue have declined from 6.9% in the 2013 fiscal year to 4.9% in the 2014 fiscal year and from 5.3% in six-month period ended September 30, 2013 to 4.4% in six-month period ended September 30, 2014 and selling and distribution costs as a percentage of revenue have declined from 9.2% in the 2013 fiscal year to 9.1% in the 2014 fiscal year and from 11.0% in six-month period ended September 30, 2013 to 8.5% in the six-month period ended September 30, 2014.

Established brand name and relationship with the Videocon Group

Videocon d2h benefits from its relationship with the Videocon Group, which is among India's most prominent corporate conglomerates. Videocon d2h believes that the "Videocon" brand is well recognized in India. The diversified business interests of the Videocon Group include consumer electronics, oil and gas, power, retail and insurance, among others. Videocon d2h has been able to capitalize on brand recognition through the Videocon brand, especially in non-rural areas. This success has led to prestigious awards, such as being endorsed as a top brand by "The Economic Times Best Brands" award in 2014 and "Asia's Most Promising Brand" award in the DTH category in fiscal years 2013 and 2014.

Videocon d2h purchases set-top boxes from TEL, a Videocon Group entity and manufactures set-top boxes. Videocon d2h generally leases set-top boxes to its customers. This allows Videocon d2h to maintain quality standards, as well as design and customize set-top boxes for local needs, particularly as a result of TEL's experience in manufacturing electronic products for more than two decades for Indian consumers. This relationship also allows Videocon d2h to reduce costs of purchase and time-to-market for new set-top boxes and to benefit from an adequate supply of set-top boxes and quicker turn-around-time for faulty or defective set-top boxes. As Videocon d2h purchases set-top boxes from TEL, an Indian company, it is able to save on customs and import duties, which helps control set-top box costs.

The Videocon Group is one of the only businesses in India that manufactures televisions, including televisions with built-in set-top boxes. Videocon Industries, the flagship company of the Videocon Group, believes that it has one of the largest distribution networks of consumer electronics and home appliances in India. As of September 30, 2014, the Videocon Group had over 190 owned and operated retail outlets, and over 730 franchisee-owned distribution outlets. Videocon d2h believes that the cross-selling of services through the Videocon Group's television business increases marketing opportunities. Videocon d2h's relationship with the Videocon Group allows it to leverage the Videocon brand and reduce its spending on marketing, which is a significant expense in the DTH industry.

Experienced management team

Videocon d2h's management team is experienced in the Indian television and media industry and in the application of technology and marketing and distribution initiatives in this sector. The average years of experience of Videocon d2h's key management personnel is over 16 years. Furthermore, with the addition of Harry E. Sloan and Jeff Sagansky of SEAC to Videocon d2h's board of directors, Videocon d2h expects to benefit from their deep experience in the entertainment industry in order to improve customer experiences and gain a competitive advantage in the Indian DTH market. Videocon d2h believes that the knowledge and experience of its management team and the experience that Mr. Sloan and Mr. Sagansky will bring to the Board of Directors, will enable it to rapidly respond to market opportunities, adapt to changes in the business landscape and competitive environment and bring innovations to its business, marketing and strategy. See "*Management after the Transaction.*"

Strategies

The following are the key elements of Videocon d2h's business strategies:

Continue to expand subscriber base through marketing and retention initiatives

Videocon d2h intends to expand its marketing initiatives by seeking potential customers on shop floors, organizing road shows, organizing or sponsoring events and participating in trade and consumer exhibitions. Videocon d2h plans to strategically target what it believes to be high-value and high-growth markets, focusing

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on the youth, urban and sub-urban segments. In addition, Videocon d2h will continue to leverage its brand by operating through exclusive sales areas located within retail stores.

Videocon d2h also will continue to undertake a number of initiatives focused on customer retention. Videocon d2h has a dedicated team of customer retention executives, eight dedicated outbound call centers in four cities and also offers a quarterly, half-yearly, annual and five-year subscription renewal program. Videocon d2h conducts extensive visits to subscriber premises to gather valuable market feedback and through its dedicated revenue and retention teams and ensure timely and convenient renewal of subscriptions, which Videocon d2h believes strengthens relationships with customers. In order to provide higher quality service, Videocon d2h operates 254 direct service centers across India, as of September 30, 2014. Videocon d2h also has a large team of residential service engineers and revenue and retention teams located throughout India to help ensure high quality and timely customer service. Videocon d2h believes its customer loyalty program helps reduce churn and retain its existing customer base. Additionally, Videocon d2h intends to enhance its portfolio of channels to cater to the needs of its customers, thereby increasing customer retention.

Furthermore, Videocon d2h intends to capitalize on the digitalization of the television market in India. See, “*Industry Overview — Overview of the Television Industry Value Chain — Digitalization*.” This digitalization program provides DTH players, such as Videocon d2h, a significant opportunity to further expand their subscriber base in urban areas and cable stronghold markets. According to the MPA Report, the DTH market is projected to grow rapidly, garnering a high share of new pay-TV subscribers as well as increasing its share of the pay-TV market from the market share of cable television as a result of the digitalization initiative. Videocon d2h believes that its pan-India presence, along with its broad distribution network, wide selection of channels and service offerings and content make it well-positioned to leverage the implementation of the new digital addressable cable TV system, or DAS, and maximize subscriber additions. As Videocon d2h has had significant growth in its subscriber base and market share during the voluntary phase of digitalization, it expects that its subscriber base growth will continue as the Government of India proceeds with the mandatory digitalization phases.

Focus on enhancing subscriber base by promoting movement into higher tier subscription packages

Our subscribers can choose from subscription packages which range from Rs.231 to Rs.550 per month (inclusive of taxes). Higher priced packages generally offer subscribers a larger selection of channels and features, such as HD channels. We intend to increase the proportion of subscribers on the higher priced packages to drive higher ARPU through promotions and by encouraging customers to adopt *à la carte* channels and value-added services.

Furthermore, Videocon d2h promotes premium HD packages by leveraging existing capacity and by actively promoting HD offerings to new and existing subscribers. At the end of 2013, the Indian DTH industry had 2.6 million active HD subscribers, an increase of 72.0% from 2012 according to the MPA Report. The increasing subscriptions for HD channels may help increase ARPU and provide increased subscription revenue to distributors and broadcasters.

As of September 30, 2014, Videocon d2h offered 29 true HD channels, which was among the highest number of true HD channels offered by DTH providers in India. In addition, certain popular HD channels such as Star Plus HD, Zee TV HD, Colors HD, Star Gold HD, Star Sports HD-1 and HD-2, Star Movies HD, Star World HD, Discovery HD and National Geographic Channel HD aired for the first time in India on Videocon d2h’s platform according to the MPA Report. Videocon d2h intends to continue to increase the number of HD channels it offers to subscribers as it believes this will be a significant growth area in the industry.

Continue to focus on technological innovation

The consumer electronics industry is driven by technological advancement in key components such as chipsets and memory and by the demand by subscribers for better, faster and cheaper equipment. Implementation of technology is a key driver of success in Videocon d2h’s business. Videocon d2h offers DTH services through set-top boxes, including integrated set-top box televisions, set-top boxes with USB personal video recorder, PVR capabilities. Videocon d2h was one of the first companies to offer radio frequency DTH remote and wireless DTH headphones in India. Videocon d2h plans to launch 4K set-top

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boxes in India to coincide with the Cricket World Cup in February 2015. The 4K set-top boxes will be based on high efficiency video coding system, or HEVC, compression which is the latest compression standard released by the MPEG (Motion Picture Experts Group). This ensures that Videocon d2h subscribers are offered devices which are reliable and provide them with a better user experience. Videocon d2h has a strong research and development team and intends will continue to focus on technological innovation to enhance its market position in India.

Videocon d2h also focuses on technological innovation by providing a high quality viewing experience to subscribers through the offering of 29 true HD channels, which is one of the largest selections of HD channels offered by DTH companies in India according to the MPA Report. See, “*Industry Overview — Future Trends — Product Offering*”. In addition, Videocon d2h offers a HD 3D Active Channel Service, which allows subscribers to experience 3D content in their own homes. Videocon d2h believes that continued focus on providing a wide selection of HD and HD 3D content is key to its focus on technological innovation.

Focus on controlling or reducing costs and improving margins

Due to the highly competitive nature of the industry, it is critical for Videocon d2h to control or reduce costs and improve margins. Subscriber acquisition costs are a significant expense in the DTH industry. Videocon d2h intends to maintain low subscriber acquisition costs while working to increase its subscriber base.

Towards this end, Videocon d2h intends to continue to obtain set-top boxes from TEL, which allows it to maintain low such subscriber acquisition costs by saving on customs and other import duties.

Additionally, Videocon d2h seeks to reduce costs by providing DTH services to multi-dwelling units through a single satellite-dish antenna. This provides a more cost-efficient and simple option to buildings or communities where one satellite-dish antenna may be used for all the units in the building or the community. Videocon d2h currently offers such services in metro cities and select large cities such as Goa, Jaipur, Gurgaon, Pune, Hyderabad, Bangalore.

Further, effective November 1, 2014, Videocon d2h has entered into agreements for outsourcing certain services that it provides which are not directly related to the provision of DTH services, such as consumer premises equipment installation services and after-sales repair services provided to subscribers. Videocon d2h believes that outsourcing of these activities allows it to focus on its core DTH services business.

Videocon d2h will also continue to focus on improving margins by adjusting the price of its subscription packages in order to improve revenue realization, which has a direct impact on profitability. For example, the price of Videocon d2h’s base pack has increased from Rs.150 per month in April 2011 to Rs.231 per month in July 2014. and the price of its HD pack increased from Rs.441 per month in April 2011 to Rs.550 per month (Rs.570 per month for South India) in September 2014. Videocon d2h also recently ended the practice of granting a free viewing period to every new subscriber, which Videocon d2h believes will improve revenue realization.

Expand differentiated content offerings

As of September 30, 2014, Videocon d2h offered three Movie Channel Services and 41 audio and video channels as part of its Music Channel Services. Videocon d2h believes that its extensive experience in programming these channels has provided subscribers with access to differentiated content with a focus on key demographics, thus providing an attractive package for new subscribers. Videocon d2h intends to continue to expand and improve its differentiated content offerings. With the experience of its programmers in identifying content line-ups and the anticipated contributions of Harry E. Sloan and Jeff Sagansky, who are expected to join the board of directors, Videocon d2h believes that it is well-positioned to continue to provide quality differentiated content offerings which distinguish it from other DTH operators in India.

Use its strong balance sheet to take advantage of inorganic growth opportunities

Videocon d2h believes that it is well-positioned to take advantage of inorganic growth opportunities as and when they may arise. As a result of the Transaction, Videocon d2h intends to reduce its outstanding debt,

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and as a result, decrease its ongoing financing costs. Furthermore, Videocon d2h believes that access to the international capital markets may provide it with a source of funding which can be tapped on as and when new opportunities are identified.

DTH Subscription Television Services

The provision of DTH subscription television services to subscribers in India is the primary business of Videocon d2h, which is operated under the "Videocon d2h" brand. The transmission of programming to subscribers is carried out through satellite broadcasting, which allows a subscriber to directly receive a broadcast signal from a satellite, through a satellite dish antenna and other equipment installed at the subscriber's premises, which is then decoded by a set-top box.

All of Videocon d2h's channels are turnaround channels meaning that Videocon d2h rebroadcasts all of the channels offered without modifying the content. Videocon d2h also derives advertising revenue from selling advertising on the "home" channel, which is the channel that comes on when the system is powered on, and certain pathway channels which serve as pathways to popular channels.

Subscription Packages and Package Options

As of September 30, 2014, Videocon d2h subscribers had access to over 500 national and international channels and services, including 29 HD channels and 41 audio and video channels through its Music Channel Services through several subscription packages, as well as the option of choosing add-ons and a la carte channels and receiving certain discounts through long-term recharge offers. Videocon d2h also launches various subscription packages to cater to the varied needs of customers from time to time.

As of September 30, 2014, the charges for Videocon d2h's monthly subscription packages ranged from Rs.231 to Rs.550 per month (inclusive of taxes). The packages offered are similar throughout India, apart from South India, where Videocon d2h offers more regional specific packages. All packages include the Doordarshan channels and other free-to-air channels.

The following are the key monthly subscription packages offered, in addition to certain other regional and HD related packages as of September 30, 2014:

Entry level:

Super Gold Pack. Under this package, the subscriber receives up to 338 channels and services for Rs.231.00 per month (inclusive of taxes). This package includes popular Hindi channels, in addition to regional channels.

Mid-tier:

New Gold Sports Pack. Under this package, the subscriber receives up to 355 channels and services for Rs.310.00 per month (inclusive of taxes). This package provides the Super Gold Pack channels, plus a variety of sports channels.

New Diamond Pack. Under this package, the subscriber receives up to 403 channels and services for Rs.370.00 per month (inclusive of taxes). This package provides the New Gold Sports Pack channels, plus additional English channels.

High-tier:

Platinum Pack. Under this package, the subscriber receives up to 410 channels and services for Rs.425.00 per month (inclusive of taxes). This package, provides the New Diamond Pack channels, plus additional lifestyle channels.

New Platinum HD Pack. Under this package, the subscriber receives up to 437 channels and services for Rs.550.00 per month (inclusive of taxes). This package in addition to all the channels offered in the Platinum Pack, provides additional lifestyle channels and all of the HD channels offered by Videocon d2h.

For any of the packages selected, the subscriber has a choice of 10 different language zones: Hindi, Punjabi, Marathi, Gujarati, Oriya, Bengali, Tamil, Malayalam, Kannada and Telugu. Upon selection of a language zone, the subscriber receives certain regional programming in his or her chosen language.

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Add-Ons. With add-ons, a subscriber may add individual channels or a set of channels to their current subscription package.

A La Carte. With a la carte programming, a subscriber may create a custom subscription package.

Long-Term Recharge Offers. Long term recharge offers reward subscribers who have subscribed to Videocon d2h services for a duration of at least three months.

Additional subscriptions are required for the use of an additional set-top box in the same household by a subscriber. Videocon d2h charges a reduced price for the additional subscription and also subsidizes the payment relating to the installation of the additional set-top box as an incentive to the subscriber.

User Experience Services

In addition to subscription packages and package options, Videocon d2h offers certain services designed to augment customers' viewing experiences. The following sets forth the key services that Videocon d2h offered as of September 30, 2014:

12 Picture-in-Picture Mosaic. This feature allows a subscriber to view an on-screen mosaic of the current programming of up to 12 channels.

Electronic Program Guide. The Electronic Program Guide is a graphical user interface that allows subscribers to browse channels and program schedules.

Value-Added Services

In addition to subscription packages, package options, and user experience services, Videocon d2h offers a variety of value-added services. The following sets forth the key value-added services that Videocon d2h offered as of September 30, 2014:

Movie Channel Services: Videocon d2h offers three Movie Channel Services to subscribers. Two of these services are available as a part of all subscription packages for no additional charge, with one of these services (d2h cinema) available as an add-on which can be subscribed for on a monthly basis.

Active Music Channel Services: Videocon d2h offers 41 Music Channel Services that include a variety of musical genres.

HD 3D Active Channel Service: Videocon d2h offers a HD 3D Active Channel Service which provides a variety of HD 3D content.

Tickers: Videocon d2h offers a variety of screen "tickers" that appear at the bottom of the screen which can be viewed simultaneously with any channel. The tickers display information, such as sports scores, stock market numbers and a variety of news, including Bollywood, politics, sci-tech, business, lifestyle and general news.

Going forward, Videocon d2h intends to expand these value-added channels and continue to provide differentiated content tailored to the demographics in the Indian market that Videocon d2h targets. In particular, Videocon d2h believes that the deep experience in the entertainment industry that Harry E. Sloan and Jeff Sagansky are able to bring to the Board of Directors will be beneficial in successfully implementing this strategy. See, "*Management after Transaction*".

Subscribers

Videocon d2h's subscriber base has increased significantly since it commenced operations in July 2009. Videocon d2h's gross DTH subscriber base has increased from approximately 0.44 million as of March 31, 2010 to 11.82 million as of September 30, 2014.

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The following table presents information regarding Videocon d2h's gross and net subscriber base as of March 31, 2013 and 2014 and September 30, 2014:

Particulars	As of March 31,		As of
	2013	2014	September 30,
			2014
		(in millions)	(in millions)
Gross Subscribers	8.03	10.45	11.82
Net Subscribers	6.71	8.44	9.46

Sales, Distribution and Marketing

Sales and Distribution

Videocon d2h uses a zonal sales and distribution network to facilitate distribution across India and to provide an optimum level of service throughout India. As of September 30, 2014, Videocon d2h had over 2,800 distributors and direct dealers, and over 150,000 sub-dealers and recharge counters. As of September 30, 2014, Videocon d2h had a team of 365 sales executives working in 25 offices that sign up new distributors and dealers to expand its network.

Videocon d2h's distributors act as wholesale distributors of its consumer premises equipment and recharge vouchers, and are typically distributors of products that are in a related category or synergistic to those of Videocon d2h, such as durable consumer goods, consumer electronics or telecommunications. Videocon d2h appoints distributors based on certain key criteria, such as location, track record, potential for expansion, technological competence and business type.

Dealers provide product and service demonstrations, sell consumer premises equipment and subscription packages and serve as collection and service points for existing subscribers. Dealers are typically retail outlets of various kinds. Certain dealers also provide installation and other services and are typically not exclusive to any particular DTH operator.

Marketing

Videocon d2h's marketing program includes the use of retail signage, print, television, radio and digital advertising, road shows, exhibitions and special events and promotional campaigns to market its products and services. Videocon d2h has strategically targeted what it believes to be high-value and high-growth markets, focusing on the youth, urban and suburban segments. Videocon d2h determines the platform to be utilized for its marketing efforts on the basis of various factors such as the target group, the location, the communication suitability, the return on investment and the final expected outcome from the initiative.

As part of Videocon d2h's marketing initiatives, it has sponsored teams participating in Indian Premier League cricket matches and the Indian Super League soccer matches. In order to market its brand, Videocon d2h uses actors Abhishek Bachchan and Parineeti Chopra as national brand ambassadors. These ambassadors and the associated marketing initiatives reinforce Videocon d2h's belief in investing in sports and Bollywood to connect with the youth segment in India, which is the largest demographic in the country.

Advertising

Videocon d2h derives advertising revenue from selling advertising on the "home" channel, which is the channel that comes on when the system is powered on, and certain pathway channels which serve as pathways to popular channels.

Subscriber Care

Videocon d2h outsources its call center operations to Serco BPO Private Limited, Digicall Teleservices Private Limited, Cogent E-Services Private Limited, Competent Synergies Private Limited and Tatwa Technologies Limited. Its call center operations operate on a 24 hours a day, seven days a week basis and can handle calls in more than ten languages. These services are currently provided by eight call centers located in Dehradun, Pune, Ahmedabad, Bhubaneswar, Bengaluru (two centers), Vadodara, and Mohali. The call centers feature interactive voice response systems, or IVR, automatic call distributors and voice logging software.

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Videocon d2h also provides other subscriber care and billing services through the use of systems licensed from Hansen Technologies (formerly Irdeto USA Incorporated). Videocon d2h employs revenue and retention teams located throughout India to help ensure high quality and timely customer service.

Additionally, Videocon d2h has nodal officers who serve as a point of escalation for customers in a particular geographical circle designated by us, who maintain and respond to all customer related queries and provide customer support.

Service of Consumer Premises Equipment

As of September 30, 2014, Videocon d2h had over 720 service franchisees and direct sales and service dealers and 254 direct service centers, which provide first-time installation and after-sale services and over 1,640 residential service engineers. These locations serve as single-point resolution centers for billing and for equipment installation, servicing and collection.

Recharge

DTH subscription payments are made on a prepaid basis. Videocon d2h provides a wide range of recharge options, including (i) prepaid charge cards with various denominations that are activated by keying a pass code by SMS, online or through the telephone by means of an interactive voice response system, (ii) credit card payment, (iii) online bank account transfers for account holders of 42 banks, with individual transfers, (iv) cash or check at selected dealer outlets, and (v) mobile phone-based electronic payment recharge system (which is currently the most popular method). Videocon d2h has entered into agreements to appoint various entities as distributors and dealers of electronic prepaid service coupons for the recharge of subscriber billing accounts.

Videocon d2h operates on a prepaid model, to both distributors and, eventually, subscribers. Distributors pay in advance for subscription recharge and DTH connections, leading to a negative working capital cycle.

Programming Suppliers

Content procurement by DTH operators in India, including Videocon d2h, generally takes place through channel distributors or owners. Under Indian interconnection regulations, all broadcasters and distributors are required to offer their content to all platforms and operators. Videocon d2h enters into content agreements with channel distributors and owners to license channels for viewing by its subscribers and pays them content fees as stipulated under the agreements. The channel distributors from whom Videocon d2h licenses channels include:

Star India Private Limited (providing channels such as Star Plus, Star Gold, Like Ok, Star Movies, Star Sports);

Taj Television (India) Private Limited (providing channels such as Zee TV, Zee Cinema, Zee Studio, Ten Sports);

Turner International India Private Limited (through Taj Television (India) Private Limited) (providing channels such as HBO, Pogo, Cartoon Network, CNN and Warner Brothers);

IndiaCast UTV Media Distribution Private Limited (providing channels such as Colors, CNBC, Nick, MTV, History TV);

Sun TV Network Limited (providing channels such as Sun TV K TV, Gemini, Surya TV); and

MSM Discovery Private Limited (providing channels such as Sony, Sony Max, Sab TV, Sony Pix, Sony Six).

Videocon d2h has recently renewed agreements with all of the above channel distributors, which provides Videocon d2h with cost and content visibility, since the substantial majority of content (and associated content costs) are through these providers.

Traditionally, content owners have charged DTH operators in India an agreed price per subscriber for the content provided or an agreed upon fixed fee. In addition to paid content, a number of channel distributors or owners, such as the free-to-air channels, provide their content at no cost, and in certain instances, Videocon

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d2h charges channel owners carriage fees for including certain channels in its subscription packages, such as newly launched channels that seek exposure and a distribution platform. Videocon d2h also pays a fee to content owners for broadcasting pay-per-view movie channel services.

Technology and Infrastructure

Videocon d2h uses MPEG-4 technology, which permits high compression for video and DVB-S2 technology to facilitate more efficient transmission of satellite signals. Videocon d2h currently leases 10 transponders with the Ku-band space capacity on the ST-2 satellite of SingTel. This technology and access to these 10 transponders allows Videocon d2h to transmit over 500 channels and services as of September 30, 2014.

To consolidate programming content, ensure its digital quality, and transmit that content to the satellite transponders, Videocon d2h has a digital broadcast center, located in Greater Noida. Substantially all of the functions necessary to provide satellite-delivered services occur at this digital broadcast center. Programming is received by the digital broadcast center from channel or content providers via satellite, which is then decrypted. Equipment at the digital broadcast center then digitizes, compresses, multiplexes and encrypts all of its programming signals into digital video streams prior to uplink to the ST-2 satellite of SingTel. The equipment Videocon d2h uses is sourced from vendors who Videocon d2h believes are industry leaders such as Harmonic International Limited for compression, Evertz Microsystems Limited and Harris Communications Limited for baseband, Cisco Systems Inc. and Irdeto Access B.V. for encryption and General Dynamics SATCOM Technologies for uplinking. Videocon d2h also operates a subscriber management system at its digital broadcast center in Greater Noida.

Videocon d2h is proposing to set up an additional broadcast site at Bharuch in Gujarat, as a back-up to its existing broadcast center in Noida, in connection with which it received approval from the MIB on June 16, 2014.

Videocon d2h has previously entered into a Ku-Band Lease Agreement with the Department of Space for the lease of Ku-band space segment capacity on the ST-2 satellite of SingTel which expired on February 28, 2015. Typically, the Department of Space enters into lease agreements for periods of up to three years and the agreements are renewed from time to time. Videocon d2h is in the process of securing a renewal of its space segment contract, but there can be no assurance that the renewal will be completed in a timely manner, if at all. While such renewal is in process, Videocon d2h continues to utilize satellite capacity under the terms of the expired Ku-Band Lease Agreement. See *“Risk Factors — Videocon d2h’s leased satellite ST-2 is subject to operational, lease and environmental risks that could limit Videocon d2h’s ability to utilize the satellite.”*

Videocon d2h currently leases ten 54 Mhz transponders of the ST-2 satellite. Under the Ku-Band Lease Agreement, the Department of Space is required to make available the Ku-band space segment on a 24 hours a day, seven days a week basis to Videocon d2h, for the period of the lease and in the event of any technical non-compliance of a satellite transponder, the Department of Space is required to provide an alternate transponder at the same orbital position with similar technical performance and specifications. Videocon d2h is not allowed to assign any of its rights or delegate any of its obligations under the Ku-Band Lease Agreement without the prior consent of the Department of Space. Further, Videocon d2h is not allowed to sub-lease the leased capacity without the prior consent of the Department of Space, except to group companies and affiliates.

Under the Ku-Band Lease Agreement, Videocon d2h is required to pay to Antrix Corporation, the commercial division of the Department of Space, the rental fees for 10 transponders on the ST-2 satellite, contract management charges and the amount of income tax to be withheld on the full transponder rental fees, as applicable.

The Ku-Band Lease Agreement will be terminated if the DTH license granted to Videocon d2h by the MIB is not renewed after expiry, or if it is cancelled by the Government of India. Any termination of the Ku-Band Lease Agreement due to non-fulfilment of payment obligations by Videocon d2h or due to cancellation or non-renewal of the DTH license does not absolve Videocon d2h of liabilities incurred under the Ku-Band Lease Agreement, accrued till the date of termination.

Consumer Premises Equipment

Videocon d2h provides subscribers with a variety of hardware equipment for the reception of DTH content. Videocon d2h charges new subscribers an initial fee for providing them with consumer premises equipment, primarily (i) a satellite dish antenna, (ii) a Low Noise Block downconverter Feedhorn (LNBF), which is essentially a feedhorn antenna mounted on the satellite dish (iii) a set-top box, (iv) a smart card and (v) cables to connect the satellite dish antenna to the set-top box. A new subscriber pays a subsidized fee for the set-top box, satellite dish and the accessories. The subscriber also pays an installation fee for the installation of consumer premises equipment. Leased consumer premises equipment is capitalized on activation and amortized over a period of seven years.

Videocon d2h enters into subscription agreements, which it calls customer agreement forms/work order (“CAF”) with the subscriber at the time of installation of the consumer premises equipment. The CAF allows subscribers to opt for any of the three separate options with respect to obtaining the consumer premises equipment—outright sale, lease or rent-to-own, although the vast majority of subscribers opt for the rental option.

In the case of consumer premises equipment provided to subscribers on a lease basis, upon the expiry of the initial lease period of seven years, the lease is proposed to be renewed, in accordance with the terms determined by Videocon d2h’s Board of Directors at such time and in keeping with market conditions. The lease rental amount for this extended lease period is not expected to be more than the monthly lease rental amount for the initial lease period, Rs.5.29 per month currently.

At the subscriber’s premises, the satellite dish receiver receives the signal from the satellite and the set-top box decodes and converts the signal into digital format for reception by the subscriber’s television set. Videocon d2h has entered into a license agreement dated November 1, 2007 with Irdeto Access B.V. for licensing digital conditional access system equipment and software. Videocon d2h’s set-top boxes use the “Irdeto KMS” conditional access system for encryption and authentication as well as “Irdeto Smart Card Technology,” which allows Videocon d2h to control the encryption and decryption of digital video, audio and data services provided to subscribers, prevent unauthorized viewing and provide tiered channel packages. NDS Limited, a Cisco group company, is an additional supplier of encryption and decryption technology used by Videocon d2h. Videocon d2h is also able to activate and deactivate a set-top box remotely and change a subscriber’s subscription package remotely.

Set-top Boxes Supplied by TEL

Videocon d2h has entered into an agreement dated March 11, 2011, or the “TEL Purchase Agreement” for the purchase of set-top boxes manufactured by TEL for a price to be negotiated from time to time either through purchase orders or exchange of letters. The TEL Purchase Agreement is valid until March 10, 2016 and the term may be extended by mutual agreement. The TEL Purchase Agreement does not provide for a specific quantity of set-top boxes required to be bought by Videocon d2h from TEL or to be supplied by TEL to Videocon d2h. Accordingly, Videocon d2h places purchase orders for the number of set-top boxes required from time to time.

Information Technology

Videocon d2h has entered into a SAP support agreement with Infodart Technologies India Limited, a Videocon Group entity, for the provision of its SAP services. Videocon d2h has entered into an agreement with Hansen Technologies (formerly Irdeto USA Incorporated) for subscriber care and billing services and an agreement with Irdeto Access B.V. for licensing digital conditional access system equipment and software. Videocon d2h also works with reputable technology service partners such as Oracle India Private Limited, IBM India Private Limited and Hewlett Packard India Sales Private Limited, NDS Limited (a Cisco group company), Genesis Telecommunications Laboratories Inc. and Verint Systems Inc.

Videocon d2h has also entered into an agreement with Tech Mahindra Limited for the license of software and support for the operation of certain of its information technology systems.

Government Regulation

Videocon d2h is subject to various laws and regulations in India arising from its operations in India, including specific regulations and policies applicable to the direct-to-home (“DTH”) broadcasting services sector.

Videocon d2h was granted a license to establish, maintain and operate a DTH platform, on the terms and conditions set out in the DTH License Agreement. The DTH License Agreement is effective for a period of 10 years from the date of issue of the wireless operational license (which was issued to Videocon d2h on December 12, 2008), unless terminated earlier in accordance with its terms. Pursuant to the terms of the DTH License Agreement, Videocon d2h is required to pay an annual fee of 10% of its gross revenue (gross revenue includes, among other things, the gross inflow of cash, receivables, or other consideration arising in the course of ordinary activities of the DTH enterprise from rendering services and from the use by others of the enterprise resources yielding rent, interest, dividend, royalties or commissions). Further, pursuant to the terms of the DTH License Agreement, prior approval of Licensor is required for effecting any change in the equity structure of Videocon d2h and the transfer of the license or any rights and obligations under the DTH License Agreement.

On July 23, 2014, the Telecom Regulatory Authority of India (“TRAI”) released its Recommendations on Issues related to New DTH Licenses (“New DTH License Recommendations”), which include recommendations relating to a new DTH licensing regime. TRAI has recommended that, among other things, the period of the DTH license be increased to 20 years, renewable for 10 years at a time and the license fee be reduced from 10% of gross revenue to 8% of adjusted gross revenue (where adjusted gross revenue is calculated by excluding service tax, entertainment tax and sales tax/VAT actually paid from the gross revenue). TRAI has also recommended that once the Government of India notifies the new DTH licensing regime, an existing DTH operator should be allowed to migrate to the new regime at any time during the currency of their existing licenses, provided that it clears all its dues and fulfils all obligations under the terms and conditions of the existing license as well as those arising out of legal cases pending before various courts of law. However, the New DTH License Recommendations are not binding in any manner and Videocon d2h has no further information on if or when the Government of India will notify a new DTH licensing regime or whether such new regime, if notified, will retain the recommendations, either in full or in part, made by TRAI through the New DTH License Recommendations.

As a licensed DTH broadcasting service provider, Videocon d2h is subject to the terms of the Guidelines for Obtaining License for Providing Direct-To-Home (DTH) Broadcasting Service in India issued by the MIB on March 15, 2001, as amended from time to time (“DTH Guidelines”). Under the DTH Guidelines, only companies registered under the laws of India with Indian management control (i.e., with a majority of the members of the board of directors as well as the chief executive of such company being Indian residents) are permitted to provide DTH services in India, and any Company providing DTH services cannot hold more than 20% of the total equity of a company engaged in the business of cable network services or vice versa. Further, the licensee company must adhere to the program and advertising codes issued by the MIB and follow the prescribed technical standards and other obligations. Licensees are prohibited from carrying any television broadcast or channel which has not been registered by the Central Government for being viewed within the territory of India and must carry the television channels notified by the MIB for mandatory and compulsory carriage from time to time.

The Direct to Home Broadcasting Services (Standards of Quality of Service and Redressal of Grievances) Regulations, 2007, as amended, establishes the standards of quality of DTH services that Indian DTH service providers are required to maintain, including standards relating to provision of consumer premises equipment to subscribers through outright purchase, hire-purchase and rental agreements and procedures for billing and effective redress of subscribers’ grievances.

Under the Indian Wireless Telegraphy Act, 1933, as amended (“Wireless Act”), no person is permitted to possess a wireless telegraphy apparatus without obtaining a license. Accordingly, Videocon d2h has obtained a certificate from the Department of Telecommunication, Ministry of Communications and Information Technology, Government of India (“MIT”) permitting it to establish, maintain and work wireless telegraphs in India, which is renewable on an annual basis. This license granted to Videocon d2h is currently valid until

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December 31, 2015. Additionally, Videocon d2h has obtained a license, dated November 2, 2007, issued by the Wireless Planning and Coordination Wing (“WPC”) for establishing a wireless telegraph station at Greater Noida, Uttar Pradesh, India (where the head-end is located) and an approval dated November 14, 2007, from the Standing Advisory Committee of Radio Frequency Allocation (“SACFA”) for installation of a wireless station at such location.

On May 27, 2013, TRAI issued the Telecommunication (Broadcasting and Cable) Services (6th) (The Direct to Home Services) Tariff Order, 2013 (“DTH Tariff Order”), directing all DTH service providers in India to offer to every subscriber the standard packages for supply and installation of the consumer premises equipment, as specified in the DTH Tariff Order, in addition to any other packages that may be offered. The standard packages prescribe, among other things, the rent per month (for the consumer premises equipment) and the refundable/adjustable security deposit that a subscriber may be charged. Certain DTH service providers, including Videocon d2h, have challenged the DTH Tariff Order before the appropriate telecom disputes redressal forum in India on various grounds, including that TRAI lacks jurisdiction to issue such a tariff order and that it has incorrectly computed the cost of consumer premises equipment in determining the standard packages.

Under the Telecommunication (Broadcasting and Cable Services) Interconnection Regulations, 2004 (“Interconnection Regulations”), distributors of TV channels in India are ensured non-discriminatory access to content of all broadcasters, and the Interconnection Regulations mandate that broadcasters issue a public notice before disconnecting signals to enable consumers to protect their interests.

Environmental regulations

Videocon d2h has obtained consents to operate under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, each, from the Uttar Pradesh Pollution Control Board, with respect to the premises where its digital broadcast centre is located at Greater Noida, Uttar Pradesh, India. These consents are subject to renewal from time to time and are currently valid until December 31, 2015.

Labor regulations

Under the terms of the Contract Labor (Regulation and Abolition) Act, 1970 (“CLRA”) with respect to the contract labor engaged by Videocon d2h, it has been issued a registration by the Assistant Commissioner of Labor, which was valid until December 31, 2014, subject to further renewal (which Videocon d2h has applied for), under the CLRA. Under the CLRA, both the principal employer and the contractor are required to obtain registrations and while the contractors are principally responsible for providing facilities such as canteens, rest-rooms and first-aid to the labor, in the event of failure to fulfill these obligations on part of the contractor, the obligation to comply within a prescribed time period shifts upon the principal employer.

Trademarks

The Trade Marks Act, 1999 (“Trade Marks Act”) provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading, and to provide relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits registration of, among other things, deceptively similar marks. It also provides for penalties for infringement, falsifying and falsely applying trademarks. Videocon d2h has obtained registrations in its name for various trademarks, including ‘D2H’, ‘Direct Hai Correct Hai’. Further, Videocon d2h has entered into a deed of trademark usage license dated September 11, 2009 with CE India Limited, whereby, it has been authorized by CE India Limited to use the trademarks ‘Videocon’ and ‘V’, for its DTH broadcasting business activities, on a non-exclusive basis. The current term of this agreement expires on March 31, 2022, subject to further renewal.

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Foreign investment regulations

The Department of Industrial Policy and Promotion has issued the Consolidated FDI Policy, with effect from April 17, 2014, which consolidates the policy framework on FDI in Indian companies, and is updated from time to time. Currently, under the provisions of the Consolidated FDI Policy, FDI in a company engaged in the DTH broadcasting sector, like Videocon d2h is permitted in up to 49% of the paid-up equity share capital of such company under the automatic route, and FDI in excess of 49% and up to 74% of the paid-up equity share capital is permitted in such a company with prior approval of the Government of India, subject in each case to, among others, the following conditions:

- A majority of the directors and key executives, including any chief executive officer, chief officer in charge of technical network operations and chief security officer must be citizens of India;
- Each of the company, directors, key executives such as any managing director, chief executive officer, chief financial officer, chief operating officer, chief technical officer, chief security officer, any shareholder of such company who holds 10% or more of the paid-up equity share capital, and any other category of persons as may be specified by the MIB from time to time, have obtained security clearance from the MIB;
- Prior permission of the MIB must be obtained for effecting any changes in the board of directors, appointment of directors and any key executives as mentioned above, and any other executives as may be specified by the MIB from time to time; and
- Security clearance must also be obtained for each foreign personnel likely to be deployed for more than 60 days in a year by way of appointment, contract, consultancy or any other capacity for providing any services to such company. Such security clearance is required to be renewed every two years.

Additionally, under the Consolidated FDI Policy, such company is also required to provide traceable identity of the subscribers to its DTH services and to ensure that such subscribers' database is not transferred to any person or place outside India, unless permitted by applicable law. Further, the company is obligated to provide for a provision in its equipment which enables lawful interception and monitoring from a centralized location as and when required by the GoI.

Issuance of Depository Receipts

The Videocon d2h ADSs will be issued pursuant to the 2014 Scheme, which came into effect on December 15, 2014. In terms of the 2014 Scheme, Indian companies (whether public or private, listed or unlisted) that have not been debarred from accessing the capital markets by any Indian regulatory authorities, are permitted to issue, among other permissible securities, equity shares (in dematerialized form) to foreign depositories for the purpose of issuance of depository receipts, through a public offering or on a private placement basis in certain specified permissible jurisdictions. The United States of America has been notified as a permissible jurisdiction under the 2014 Scheme.

Competition

Videocon d2h competes directly with other DTH operators, as well as indirectly with cable operators, free-to-air television, IPTV and other mass media, including print media, film, computer and video games, and internet media. Videocon d2h believes that it competes primarily based on price, programming offerings, service, subscriber satisfaction, network quality and content delivery. Videocon d2h believe that its key DTH competitors are Tata Sky Limited which operates the "Tata Sky" brand, Dish TV India Limited which operates the "Dishtv" brand and Bharti Telemedia Limited which operates the "Airtel" brand. See "Industry Overview."

DTH License

Videocon d2h entered into the DTH License Agreement pursuant to which it has been granted a DTH license. The DTH license is valid until December 12, 2018 (10 years from the date of the issue of the wireless operational license from Wireless Planning & Coordination Wing, Ministry of Communications and Information Technology, Department of Telecommunications, Government of India, or "WPC").

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Pursuant to the terms of the DTH License Agreement, Videocon d2h paid a non-refundable entry fee of Rs.100.00 million and is required to pay an annual fee of 10.0% of gross revenue to the MIB. The determination of gross revenue is currently subject to the Telecom Disputes Settlement Appellate Tribunal's ruling which determined that gross revenue should be determined after taking into consideration certain deductions. See "*Risk Factors — Videocon d2h's failure to adhere to the terms and conditions contained in the DTH License Agreement could have an adverse effect on its business, financial condition and results of operations. In addition, Videocon d2h may owe additional amounts under its DTH License Agreement for prior years of operations.*" Videocon d2h is also required to pay license fees and royalty for the spectrum it uses, as determined by the WPC.

The DTH License Agreement is effective until December 12, 2018, unless terminated earlier for default, insolvency or transfer of the DTH license or in the event that MIB revokes or suspends the DTH License in the event of any breach of terms and conditions of the license. The DTH license may be terminated by the licensor without compensation to Videocon d2h if Videocon d2h becomes bankrupt or otherwise insolvent or applies for being adjudicated as insolvent or bankrupt.

Under the terms of the DTH License Agreement, any change in the equity structure of Videocon d2h, including the Issue, is required to be carried out in consultation and with the prior approval of the licensor. In addition, a majority of the board and the chief executives of Videocon d2h are required to be Indian citizens. See "*— Government Regulation — Foreign investment regulations*" for details on foreign investment permitted in companies involved in the DTH industry.

Research and Development

Videocon d2h has a dedicated research and development team which is committed to developing new products and enhancing current products in order to improve customer experience. In particular, the research and development team primarily focuses on developing set-top boxes with new technology. Its operations span from board design to driver development, including enabling features such as wi-fi and Radio Frequency for Consumer Electronics, or RF4CE (which is a protocol for communication between the set-top box and remote control without the two being in line of sight) in the set-top box. The research and development team is responsible for complete end to end research and development, including testing and customization of the user interface. Videocon d2h believes that its in-house research and development team provides it with greater flexibility in determining its product roadmap by working in close conjunction with conditional access/middleware vendors and chipset vendors.

Intellectual Property

Videocon d2h has entered into a renewal of its trademark license agreement with CE India Limited, a Videocon Group entity, for the use of the "Videocon" and "V" trademarks on a non-exclusive basis for a nominal fee. This license is valid until March 31, 2022, and is renewable upon mutual agreement. Videocon d2h has registered 25 trademarks, including in relation to the "d2h" brand name and has applied for registration of further 22 trademarks.

Insurance

Videocon d2h maintains insurance on its Greater Noida digital broadcast center infrastructure assets, and consumer premises equipment up to the point where it delivers the equipment to distributors, for a variety of risks, including fire. Videocon d2h does not maintain any key man insurance or insurance for business interruption caused by satellite failure or liability for breach of environmental regulations.

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Employees

The following table shows information regarding Videocon d2h's employees for the periods indicated:

Title	As of March 31,		As of
	2013	2014	September 30, 2014
General Management, Corporate and Administration	40	43	43
Sales and Marketing	418	395	395
Finance and Accounts	122	145	146
Customer Support and Care	355	381	399
Technical	117	114	120

In addition, as of September 30, 2014, Videocon d2h utilized the services of over 8,760 persons on a contract basis, including, residential service engineers, support staff, service engineers and in-shop demonstrators. Videocon d2h's employee compensation and benefits include salaries, discretionary bonuses and health insurance. Pension contributions are limited to contributions required to be made under Indian law to state-run compulsory pension programs. Videocon d2h's employees are not unionized and Videocon d2h has not experienced any work stoppages or significant labor disruptions during its operational history.

As of September 30, 2014, Videocon d2h had over 2,800 distributors and direct dealers, over 150,000 sub-dealers and recharge counters and a team of 365 sales executives working in 25 offices that sign up new distributors and dealers to expand its network.

Property

Videocon d2h's principal operating facilities consist of its registered office in Aurangabad, Maharashtra, India, its corporate office in Mumbai, Maharashtra, India and its digital broadcast facility in Greater Noida, Uttar Pradesh, India where its digital broadcast center is located.

Pursuant to a Transfer Deed of Leasehold Rights for Industry dated April 25, 2008, Videocon Industries transferred its leasehold rights in the industrial plot leased from the GNIDA (under a lease deed dated March 29, 2000 executed between Videocon Industries and GNIDA), and the ownership rights in the buildings constructed by it, comprising a covered area measuring 25 square meters and an industrial shed covering 2,358.29 square meters to Videocon d2h. Videocon d2h has the right to use this industrial plot until 2090. Videocon d2h operates its digital broadcast center at these premises.

The "Auto Cars," a partnership firm, comprising members of the Dhoot family, has authorized Videocon d2h to use the premises where its registered office is located pursuant to a letter dated August 1, 2012. Videocon d2h is licensed to use the premises where its Corporate Digital DTH Service Office is located, pursuant to a leave and license agreement dated October 23, 2012 executed with V-Techweb (India) Private Limited, which is valid until September 30, 2017.

Additionally, Videocon d2h entered into leave and license agreements with various parties in respect of 290 premises, which are used by it as branch offices and service centers for carrying out its business and marketing activities across India.

Legal Proceedings

The MIB, through a notice issued to Videocon d2h dated March 24, 2014, has demanded payment of Rs.1,582.89 million as outstanding license fee, including interest. The MIB alleged upon review of Videocon d2h's accounts, that the license fee paid by Videocon d2h through fiscal year 2013 was lower than the amount due under the DTH License Agreement, computed at the rate of 10% of Videocon d2h's gross revenue. The MIB has therefore demanded payment of the difference along with 1.0% interest per month on the difference amount. Videocon d2h filed a petition before the TDSAT on April 3, 2014, challenging the demand notice and an interim application seeking an interim order restraining MIB from giving effect to the demand notice and from taking any coercive measures, including the invocation of bank guarantee submitted by Videocon d2h to the MIB. The TDSAT through an order dated April 4, 2014, granted interim relief to Videocon d2h. In the event it is judicially determined that the license fee payable is required to be computed on the basis of DTH Gross Revenue instead of Adjusted Gross Revenue, Videocon d2h will be required to pay additional DTH license fees. Videocon d2h makes an estimation of and discloses such potential liability in its financial

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statements as a contingent liability. For the period since incorporation until September 30, 2014, such potential liability was estimated to be Rs.3,037.68 million (inclusive of interest as of March 19, 2014 on liability accruing until March 31, 2013), as per Videocon d2h's financial statements (restated) as of September 30, 2014. See "*Videocon d2h Operating and Financial Review and Prospects*". See "*Risk Factors — Videocon d2h's failure to adhere to the terms and conditions contained in the DTH License Agreement could have an adverse effect on its business, financial condition and results of operations. In addition, Videocon d2h may owe additional amounts under its DTH License Agreement for prior years of operations.*"

Media Watch-India, a registered society, has filed a writ petition, in the nature of a public interest litigation, against the MIB and all Indian DTH service providers, including Videocon d2h, before the High Court of Delhi. Through this writ petition, Media Watch-India has alleged that DTH service providers in India are broadcasting channels without obtaining registrations from the GoI under applicable uplinking and downlinking guidelines, providing value added services without obtaining licenses from the competent authority, carrying FM radio channels and advertisements and other unsolicited commercial messages, in violation of applicable law, including the DTH Guidelines and the Cable Television Network Rules, 1994. Media Watch-India has sought for a permanent injunction restraining the DTH service providers from carrying such channels and value added services on their respective platforms, other than those specifically registered with or licensed by the MIB. Media Watch-India has further sought that the MIB be directed to undertake a detailed enquiry into these matters and take suitable action against the Indian DTH service providers.

Videocon d2h has been impleaded along with other DTH service providers, in a case filed by the Tamil Nadu Progressive Consumer Centre ("TNPCC") against the MIB, TRAI and others before the TDSAT. TNPCC has alleged that the set-top boxes supplied by DTH service providers have not been in compliance with the inter-operability requirement, thereby violating Direct to Home Broadcasting Service (Standard of quality of service and redressal of grievances) Regulations, 2007. The TDSAT upheld the contentions of the TNPCC in an order dated June 3, 2011. Subsequently, the TRAI along with the DTH service providers have filed an appeal before the Supreme Court of India challenging the order passed by the TDSAT. The Supreme Court has, for the time being, stayed the impugned order of the TDSAT. This matter is currently pending before the Registrar of the Supreme Court of India for admission.

Videocon d2h is also involved in ordinary course government tax audits and assessments, which may result in demands being raised by the tax authorities from time to time. Videocon d2h received a notice dated June 13, 2014 from the Commissioner, Central Excise and Service Tax, Noida directing it to show cause as to why service tax of an aggregate amount of Rs.694.47 million should not be recovered from Videocon d2h for the period from April 2009 until December 2013, along with interest and penalties.

Videocon d2h received two show cause notices, dated November 20, 2014 (with respect to the period from fiscal year 2010 through fiscal year 2014) and October 13, 2014 (with respect to the period from fiscal year 2010 through fiscal year 2014), from the Directorate General of Central Excise Intelligence and the Commissioner, Customs, Central Excise and Service Tax, Noida, respectively, directing it to show cause why additional amounts should not be recovered from it on account of disallowance of certain deductions claimed by it. The approximate aggregate amount involved under these show cause notices (excluding applicable interest and penalties) is Rs.541.13 million.

Videocon d2h has responded to these show cause notices and is in discussion with the tax authorities in this regard.

Other than as disclosed above, Videocon d2h is not currently a party to any other material legal proceedings, and Videocon d2h is not aware of any other material legal proceeding threatened against it. Videocon d2h may from time to time become a party to various legal proceedings arising in the ordinary course of its business. For instance, Videocon d2h is subject to consumer complaints initiated against it from time to time. Videocon d2h has also either initiated legal proceedings or filed intervention applications in suits challenging the legality of certain tariff orders issued by TRAI.

Additionally, Videocon d2h may become subject to additional demands from Indian governmental or tax authorities, including, but not limited to, on account of differing interpretations of central and state tax statutes in India, which are extensive and subject to change from time to time. Changes in regulations or tax policies, or adoption of differing interpretations of existing provisions, and enforcement thereof by governmental, taxation or judicial authorities in India may become the subject of legal proceedings involving Videocon d2h from time to time.

VIDEOCON D2H OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion and analysis of Videocon d2h's financial condition and results of operations is based upon, and should be read in conjunction with Videocon d2h's financial statements (restated) and related notes that appear elsewhere in this proxy statement/prospectus. Videocon d2h's financial statements are prepared in accordance with IFRS. Videocon d2h's fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the twelve months ended March 31 of that year. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. For additional information regarding such risks and uncertainties, see "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

Overview

Videocon d2h is the fastest growing direct-to-home, or DTH, service provider in India by acquisition of new subscribers, adding approximately 9.0 million gross subscribers during the period from April 2011 through September 2014 across India, according to data from the MPA Report. Videocon d2h distributes multiple digital television channels and allied video and audio services to subscribers via direct satellite feeds as part of its DTH services. Videocon d2h brings its subscribers quality digital television viewing and, as of September 30, 2014, it carried over 500 national and international channels and services, including 29 high definition, or HD, channels and 41 audio and video channels as part of its Music Channel Services. Videocon d2h commenced DTH operations in July 2009 and has since grown to a gross subscriber base of 11.82 million and a market share of 16.5% in the DTH market in India as of September 30, 2014 according to the MPA Report. Videocon d2h provides its services throughout India and believes it is well positioned to capitalize on the growth opportunities in the Indian DTH market.

Videocon d2h distributes multiple television channels and services through equipment installed at the end consumers' premises which allows a subscriber to directly receive programming from leased satellite through a satellite-dish antenna and low-noise block filter ("LNBF") which is then de-coded by a digital receiver called a set-top box. Videocon d2h uses MPEG-4 technology, which permits high compression for video and DVB-S2 technology to facilitate more efficient transmission of satellite signals. Videocon d2h has leased Ku-Band space capacity on the ST-2 satellite of SingTel, which was launched on May 21, 2011 and has an estimated useful life through 2026. Videocon d2h currently leases ten 54 Mhz transponders on the satellite. Videocon d2h has also conducted a launch of 4K transmission through satellite and launched in January 2015 4K set-top boxes in India to coincide with the ICC Cricket World Cup in February 2015. The MIB has announced a four-phase digitization process for cable television in India with an end date of December 31, 2016 for complete implementation. As a result, the cable television industry in India will be transitioned to the digital addressable cable TV system, or DAS, for television distribution, and all cable operators will be legally bound to transmit only digital signals. Videocon d2h believes that this is a key growth opportunity as it believes that a significant portion of current analog cable television subscribers will switch to DTH services.

Videocon d2h benefits from its relationship with the Videocon Group. Videocon d2h believes that the "Videocon" brand is well recognized in India. The Videocon Group has diversified interests in consumer electronics, oil and gas, power, retail and insurance, among others.

Videocon d2h believes that the Transaction will further the growth of its business through the infusion of capital and the support of leading media executives Harry E. Sloan and Jeff Sagansky on its board of directors.

Factors Affecting Videocon d2h's Results of Operations

Subscriber Growth

Almost all of Videocon d2h's revenue comprises income from DTH subscribers, particularly, subscription revenue and income from installation, activation and lease of consumer premises equipment. Subscription revenue is dependent upon the number of subscribers, pricing of offerings and services and subscriber loyalty. Videocon d2h's total number of gross subscribers was 8.03 million, 10.45 million, 9.20 million, and 11.82 million as of fiscal 2013 and 2014 and six-month period ended September 30, 2013 and 2014, respectively.

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Videocon d2h's revenue growth is driven primarily by subscriber additions and subscriber churn management. Videocon d2h seeks to increase its subscriber base by providing a wide range of subscription packages at competitive prices, along with providing attractive value-added services that Videocon d2h believes are competitive. Additionally, with its marketing efforts, Videocon d2h intends to increase its subscriber base by reaching out to a wider population. Videocon d2h also utilizes dealer incentives to drive subscriber growth. As subscribers grow, so does the amount of consumer premise equipment leased, which results in increase in an increase in lease revenue.

Subscriber churn is a critical factor affecting Videocon d2h's results of operations. Videocon d2h calculates churn as the number of subscribers who have not made payments and remain disconnected for at least 120 days. Any amount of churn tends to result in loss of operating revenue from those subscribers. Videocon d2h's monthly churn rate (as a percentage of average net subscribers) was 0.98% in the 2013 fiscal year and decreased to 0.76% in the 2014 fiscal year. Churn arises mainly as a result of personal economic factors and, to a lesser extent, changes in consumer preferences and competitor offerings. Churn also tends to increase after major sports events which have led to a spike in new subscriber additions. Churn may also increase due to factors beyond Videocon d2h's control, including, a slowing economy and consumer fraud. Videocon d2h seeks to control churn through managing the consumer life cycle, continuously improving and increasing content, providing innovative products and technology, and providing quality customer service. Videocon d2h controls exclusive direct service centers in over 190 cities, which allows it to retain control of the customer service experience, unlike certain of its competitors which outsource the majority of their customer service operations. Videocon d2h also believes the reliability of its content offerings serves to limit churn. Videocon d2h has been able to maintain good relationships with broadcasters, allowing access to the full range of offerings from such content providers. Videocon d2h also believes that the quality of new subscribers can also serve to decrease churn. In line with industry practice, Videocon d2h has ceased the practice of granting a free viewing period to new subscribers. Videocon d2h believes that this has led to increased quality of new subscribers and a decrease in Videocon d2h's churn rate, as new subscribers have demonstrated a willingness to pay for the Videocon d2h's services. Videocon d2h's total number of net subscribers, which is calculated as gross subscribers less churn, was 6.71 million, 8.44 million, 7.60 million, and 9.46 million of fiscal 2013 and 2014 and six-month period ended September 30, 2013 and 2014, respectively.

Videocon d2h intends to capitalize on the digitization of the analog market in India in order to grow its subscriber base. This digitalization program provides DTH operators, such as Videocon d2h, a significant opportunity to further expand their subscriber base in urban areas and cable stronghold markets. According to the MPA Report, the DTH market is projected to grow rapidly over the next few years, garnering a high share of new pay-TV subscribers as well as increasing its share of the pay-TV market from the market share of cable television as a result of the digitalization initiative. See "*Industry Overview — Overview of the Television Industry Value Chain — Digitalization.*" Videocon d2h believes that its pan-India presence, along with its broad distribution network, wide selection of channels, service offerings and content positions it well to leverage off the new digital addressable cable TV system, or DAS being implemented, and maximize subscriber additions.

Content and Programming Costs

Content and programming costs comprise the largest portion of Videocon d2h's operating expenses, comprising 33.5%, 33.6%, 32.8% and 35.1% of its total expenses for fiscal 2013 and 2014 and six-month period ended September 30, 2013 and 2014, respectively. Programming procurement by DTH operators in India, including Videocon d2h, generally takes place through channel distributors or owners. These programming procurement costs consist primarily of license fees paid to broadcasters and distributors of channels and content. Videocon d2h enters into content agreements with channel broadcasters and distributors to license channels and Videocon d2h pays them content and programming fees that are stipulated under the agreements. The major channel broadcasters and distributors, from whom Videocon d2h procures content include Star India Private Limited, Taj Television (India) Private Limited, Turner International India Private Limited, IndiaCastUTV Media Distribution Private Limited, Sun TV Network Limited and MSM Discovery Private Limited. Videocon d2h has recently renewed each of the agreements with these content providers,

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which provides Videocon d2h with visibility as to its programming content and content costs as the substantial majority of content (and associated content costs) are through these providers.

Typically upon expiration of existing contracts, content suppliers renegotiate the commercial terms based on subscriber and ARPU growth, which tends to increase content and programming costs. Given the competitive DTH market, broadcasters have limited ability to pass on increases in content and programming costs to the subscribers. As such, increases in content and programming costs may have an impact on Videocon d2h's results of operations.

Subscriber Acquisition Costs

Videocon d2h incurs significant expenses in acquiring new subscribers, including activation expenses, marketing and promotional expenses, installation costs and consumer premises equipment costs. Videocon d2h procures consumer premises equipment, which primarily comprises set-top boxes, outdoor units, accessories and smart cards, from its suppliers and distributes such equipment through its distribution network to subscribers at subsidized prices.

Videocon d2h calculates subscriber acquisition cost as the difference between (i) consumer premises equipment cost, distributor margins, installation expenses, and marketing spend; and (ii) upfront charges received from a new subscriber (net of taxes). Subscriber acquisition cost per subscriber is calculated by dividing subscriber acquisition cost by gross subscriber additions during the period.

Subscriber acquisition cost per subscriber was Rs.2,090, Rs.1,890, Rs.1,875, and Rs.2,063 in fiscal 2013 and 2014 and six-month period ended September 30, 2013 and 2014, respectively. Videocon d2h's subscriber base has grown significantly since the commencement of operations. As Videocon d2h grows its business, its subscriber acquisition costs may increase to the extent it continues or expands current sales promotion activities or introduces other promotions, or due to increased competition.

Subscriber Choice of Packages

Videocon d2h provides subscribers with a choice of packages through three tiers, entry level, mid-tier and high-tier, as well as add-on à la carte channels. As of September 30, 2014, Videocon d2h's monthly subscription packages ranged from Rs.231 to Rs.550 per month (inclusive of taxes) other than in South India where packages ranged from Rs.231 to Rs.570 per month. Generally, the sale of higher priced packages is more profitable and positively affects Videocon d2h's results of operations. Videocon d2h seeks to improve average revenue per user, or ARPU, by encouraging customers to adopt higher-priced packages, à la carte channels and value-added services, and seeks to minimize lapses in subscriptions payments. See "*Videocon d2h's Business — Strategies — Focus on enhancing subscriber base by promoting movement into higher tier subscription packages.*"

Videocon d2h's ARPU was Rs.150, Rs.181, Rs.175 and Rs.190 in fiscal 2013 and 2014 and six-month period ended September 30, 2013 and 2014, respectively. The increase in ARPU has primarily resulted from an increase in monthly subscription rates and an increase in customers choosing higher-priced packages.

Competition

Videocon d2h competes directly with other DTH operators, as well as indirectly with cable operators, free to air television, media-on-demand and other mass media. Videocon d2h believes that it competes primarily based on price, content offering, service, viewing experience and customer satisfaction, and the quality of the system and distribution network and content delivery.

Videocon d2h believes that its key DTH competitors are Tata Sky Limited, which operates the "Tata Sky" brand, Dish TV India Limited, which operates the "Dishtv" brand and Bharti Telemedia Limited, which operates the "Airtel" brand. Videocon d2h incurs substantial expense in acquiring new subscribers, including activation expenses, marketing and promotional expenses, installation costs and consumer premises equipment costs. As competition intensifies, Videocon d2h may have to increase subsidies for consumer premises equipment and increase marketing and sales and distribution expenses in order to grow its subscriber base and maintain market share. Although Videocon d2h has increased its base package price from Rs.150 in 2011 to Rs.231 as of September 30, 2014, in the future it may be unable to increase the price of its various packages in order to remain competitive.

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Finance Costs

Videocon d2h uses debt to finance its business and operations. Videocon d2h had total long-term and short-term borrowings outstanding of Rs.28,502.50 million, Rs.30,138.45 million and Rs 30,961.54 million, as of fiscal 2013 and 2014 and September 30, 2014, respectively. Finance costs (net of finance income) in fiscal 2013 and 2014 and the six-month period ended September 30, 2014 during these periods were Rs.2,746.52 million, Rs.4,351.02 million and Rs.2,094.51 million, respectively. Videocon d2h expects that it will continue to use debt to finance its business and operation.

Depreciation

Consumer premise equipment comprises a large part of Videocon d2h's property, plant and equipment. As Videocon d2h adds subscribers, the amount of consumer premise equipment deployed increases along with the related depreciation. As of March 31, 2013, March 31, 2014 and September 30, 2014, Videocon d2h had deployed consumer premise equipment of Rs.19,715.21, Rs.25,895.80 million and Rs.29,436.77 million, respectively. Videocon d2h depreciates consumer premise equipment over a seven year period using the straight line method. In fiscal 2013 and 2014 and the six-month period ended September 30, 2014, Videocon d2h had depreciation expense of Rs.2,603.24 million, Rs.3,647.96 million and Rs.2,180.19 million, respectively, relating to this equipment.

Going Concern

Videocon d2h's financial statements (restated) have been prepared on a going concern basis. Videocon d2h's accumulated losses as of March 31, 2013, March 31, 2014 and the six-month period ended September 30, 2014 were Rs. Rs.11,378.58 million, Rs.14,574.06 million and Rs.15,745.30 million, respectively, exceeding its paid-up share capital and securities premium in such periods. This point was noted in the audit opinion issued by Khandelwal Jain & Co. Videocon d2h's ability to continue as a going concern is dependent on the success of its operations and its ability to arrange funds for its operations.

Critical Accounting Policies

In preparing its consolidated financial statements, Videocon d2h makes estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. Videocon d2h bases its estimates on historical experience and various assumptions that it believes to be reasonable under the circumstances, the results of which form its basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Videocon d2h's results of operations may differ if prepared under different assumptions or conditions. Videocon d2h believes the following principal accounting policies affect the more significant judgments and estimates used in the preparation of its consolidated financial statements:

Impairment reviews

IFRS requires management to undertake an annual test for impairment for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- growth in EBITDA, calculated as operating profit before depreciation and amortization;
- timing and quantum of future capital expenditures;
- long-term growth rates; and
- the selection of discount rates to reflect the risks involved.

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Videocon d2h's property, plant & equipment is mainly classified under two broad categories;

- i. Assets that are located at Videocon d2h's premises or are in possession of Videocon d2h. These assets are tested for impairment based on their revenue generating ability and balance of useful lives. Videocon d2h determines whether the future profitability will be sufficient to cover the written down value of these assets and until ascertained no provision is required; and
- ii. Consumer premises equipment, are the assets which are located at Videocon d2h's subscribers premises and are used to receive the direct-to-home services. Consumer premises equipment comprises of 85% of Videocon d2h's total property, plant & equipment as of September 30, 2014. Videocon d2h determines the number of subscribers who have not recharged their subscription for a period of 620 days and after which provides for impairment of the related consumer premises equipment on a cost basis. The impairment provided was Rs.228.37 million, Rs.361.93 million and Rs.173.58 million, for fiscal 2013 and 2014 and the six-month period ended as on September 30, 2014, respectively.

Revenue recognition

The subscribers to Videocon d2h's services buy a recharge balance from Videocon d2h's distribution network (which includes our distributors, direct dealers and sub-dealers) and which enables them to recharge their subscription account with Videocon d2h. The current recharge balances appear as liabilities under the head "Income Received in Advance" in the financial statements (restated) of Videocon d2h. On delivering the services Videocon d2h provides to the subscribers with the recharge balance, the revenue is recognized on a time proportionate basis. Videocon d2h debits the Daily Burn Rate based on the package selected by the subscriber, which gets accumulated over a period of a month or over a period of service, whichever is less, and this is accounted for at the end of the month.

Arrangements with multiple deliverables

In revenue arrangements including more than one deliverable, the arrangement consideration is assigned to one or more separate deliverables based on the relative fair value of the applicable deliverable for revenue recognition purposes.

The initial amount charged to new subscribers is assigned to various deliverables including activation charges, installation charges and lease rental of set top box, outdoor unit and accessories on the basis of fair value of each element. While determining the fair value of each of these deliverables, Videocon d2h considers the relevant cost of the service and/or goods provided to the new subscriber. For example, for the installation of consumer premises equipment at subscriber's premises, Videocon d2h uses the services of contracted workers or through the service franchisees appointed by Videocon d2h. Videocon d2h's cost for the installation ranges between Rs.375 to Rs.400 based on location of the new subscriber. Videocon d2h charges Rs.400 to its new subscribers towards installation fees. Similarly, Videocon d2h also incurs charges such as discounts and margin to the distribution network (which includes our distributors, dealers and sub-dealers) and other charges relating to creation of subscriber data base, assigning of the selected packages, and other such matrix at the time the new subscriber are activated. Videocon d2h assigns its activation revenue considering these costs towards activation.

Income taxes

Videocon d2h is subject to income taxes in a number of Indian jurisdictions. A significant amount of judgment is required to determine the amount of provision for income taxes. There are certain transactions and calculations for which the ultimate determination by the relevant taxing authorities is uncertain. Videocon d2h recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be found to be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Where considered necessary, estimates are computed by management based on advice from an external specialist, such as actuaries.

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Recognition of deferred assets

Videocon d2h would be required to make substantial investments to grow its subscribers base. Videocon d2h will fund this investment through a mix of borrowing and funding from operations in order which would increase its interest payments going forward. In addition, Videocon d2h's revenue may decrease if it is unable to increase its subscription package pricing due to the competition as well as if any change in government regulation or increase in any levy of taxes or duties may impact Videocon d2h's revenue, but this tax burden can be passed on to subscribers.

However, to negate the factors above Videocon d2h believes that it will be able to achieve sufficient taxable profits within the next six years to take the benefit of deferred tax assets due to the following reasons:

Videocon d2h has acquired a threshold level of subscriber base which has resulted in cash profits. Videocon d2h believes that it will continue to make profits considering the fact that it expects to maintain and grow the subscriber market share.

In addition, Videocon d2h expects to add new subscribers as the pay-TV industry will benefit from the digitalization in Phase III and IV of the Government's DAS program. It is estimated that an addition of 97 million subscribers during Phase III and IV the Government's DAS program (as a result of the conversion of analog cable, terrestrial and free air satellite to the digital base (Source MPA Report). Videocon d2h believes that these additions in subscriber base and favorable pricing trends in the industry will help it to achieve sufficient taxable profits to utilize the deferred tax assets.

Deferred tax assets are recognized to the extent that it is reasonably certain that sufficient taxable profit will be realized.

Note: Deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of part or all of the deferred tax asset to be utilised. Any reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Employee benefits

The present value of the employee benefit obligation is determined upon actuarial valuation made in conformity with generally accepted actuarial principles and practices by the professional actuary, industry practices and underlying assumptions. The assumptions used in determining the net cost (income) for employment benefits include mortality, retirement age, attrition rate, salary escalation rate, discount rate, and others which are done by professional actuary as per the actuary practices prevailing in India. For example, management confirmed the discount rate of 9.31%, 8.25% and 8.75% for the fiscal 2014, 2013 and 2012, respectively. Any changes in these assumptions will have an effect on the carrying amount of employment benefits. After considering professional advice, management determines the appropriate discount rate at the end of each fiscal year. This is the interest rate used to discount the defined benefit obligation and calculate the net interest recognized in profit or loss on the net defined benefit liability. In determining the appropriate discount rate, consideration is given to the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms of maturity approximating the terms of the related pension obligation. For example, management confirmed the other key assumptions relevant to the defined employment benefit obligations are based in part on current market conditions.

License Fees

Management uses its discretion and interpretation of law to determine the amount of license fees it should pay to the Government. The Government interprets the license agreement differently and accordingly believes that a different amount is due as license fees. This dispute is currently in litigation. Videocon d2h recognizes liabilities based on estimates of whether additional fees will be found to be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income statement and liabilities for the applicable period. *See "Risk Factors — Videocon d2h's failure to adhere to the terms and conditions contained in the DTH License Agreement could have an adverse effect on its business, financial condition and results of operations. In addition, Videocon d2h may owe additional amounts under its DTH License Agreement for prior years of operations".*

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Property, plant and equipment

Estimates of useful life

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, using the straight-line method, over their estimated useful lives/rate of depreciation, as follows:

Type of asset	Estimated useful lives (Years)
Building	30
Plant and machinery	13 – 15
Consumer premises equipment	7
Computer hardware	3 – 6
Furniture and fixtures	10
Vehicles	8

Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the income statement.

The useful lives and residual values of Videocon d2h's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets, certificates obtained from technical persons and anticipation of future events which may impact their life such as changes in technology. Historically changes in useful lives and residual values have not resulted in material changes to Videocon d2h's depreciation charge and as of date hereof no such adjustments have been made.

Provisions and contingent liabilities

Videocon d2h exercises judgment in measuring and recognizing provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

Results of Operations

The following table sets forth select financial data from Videocon d2h's income statement for the periods indicated, the components of which are also expressed as a percentage of total revenue for such periods.

	<i>(Rs. in million)</i>							
	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
INCOME								
Revenue from operations	11,295.47	100.0%	17,644.10	100.0%	8,113.04	100.0%	11,108.97	100.0%
	11,295.47	100.0%	17,644.10	100.0%	8,113.04	100.0%	11,108.97	100.0%
EXPENSE								
Operating expense	8,264.59	73.2%	10,715.06	60.7%	5,071.58	62.5%	6,470.58	58.2%
Employee benefits expense	778.70	6.9%	864.28	4.9%	432.14	5.3%	488.40	4.4%
Administration and other expenses	445.41	3.9%	538.71	3.1%	302.88	3.7%	283.46	2.6%
Selling and distribution expenses	1,033.37	9.1%	1,605.56	9.1%	888.53	11.0%	938.71	8.5%
Depreciation, amortization and impairment	3,125.87	27.7%	4,211.89	23.9%	2,014.39	24.8%	2,528.96	22.8%
Total Expenses	13,647.94	120.8%	17,935.50	101.7%	8,709.52	107.4%	10,710.11	96.4%
Profit/(Loss) from operations	(2,352.47)	-20.8%	(291.40)	-1.7%	(596.48)	-7.4%	398.86	3.6%
Finance costs/Finance Income (Net)	(2,746.52)	-24.3%	(4,351.02)	-24.7%	(2,147.83)	-26.5%	(2,094.51)	-18.9%
Other Income	3.60	0.0%	17.26	0.1%	0.77	0.0%	0.43	0.0%
Profit/(loss) before tax	(5,095.39)	-45.1%	(4,625.16)	-26.2%	(2,743.54)	-33.8%	(1,695.22)	-15.3%
Income tax expense								
Current tax	—	0.0%	—	0.0%	—	0.0%	—	0.0%
Deferred tax	(1,571.06)	-13.9%	(1,429.68)	-8.1%	(847.75)	-10.4%	(523.98)	-4.7%
Profit/(Loss) after tax	(3,524.33)	-31.2%	(3,195.48)	-18.1%	(1,895.79)	-23.4%	(1,171.24)	-10.5%

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Non-GAAP Measures

Earning before interest, tax and depreciation & amortization (EBITDA)

(Rs. in million)

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
Profit/(Loss) after tax	(3,524.33)	-31.2%	(3,195.48)	-18.1%	(1,895.79)	-23.4%	(1,171.24)	-10.5%
Income tax expense	(1,571.06)	-13.9%	(1,429.68)	-8.1%	(847.75)	-10.4%	(523.98)	-4.7%
Profit / (Loss) before tax	(5,095.39)	-45.1%	(4,625.16)	-26.2%	(2,743.54)	-33.8%	(1,695.22)	-15.3%
Finance costs/Finance Income (Net)	2,746.52	24.3%	4,351.02	24.7%	2,147.83	26.5%	2,094.51	18.9%
Other Income	(3.60)	0.0%	(17.26)	-0.1%	(0.77)	0.0%	(0.43)	0.0%
Profit/(Loss) from operations	(2,352.47)	-20.8%	(291.40)	-1.7%	(596.48)	-7.4%	398.86	3.6%
Depreciation, amortization and impairment	3,125.87	27.7%	4,211.89	23.9%	2,014.39	24.8%	2,528.96	22.8%
EBITDA	773.40	6.8%	3,920.49	22.2%	1,417.91	17.5%	2,927.82	26.4%

EBITDA presented in this proxy statement/prospectus, is a supplemental measure of performance and liquidity that is not required by or represented in accordance with the IFRS. Furthermore, EBITDA is not a measure of financial performance or liquidity under IFRS and should not be considered as an alternative to profit after tax, operating income or other income or any other performance measures derived in accordance with the IFRS or as an alternative to cash flow from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardized term, hence direct comparison between companies using the same term may not be possible. Other companies may calculate EBITDA differently from Videocon d2h, limiting their usefulness as comparative measures. Videocon d2h believes that EBITDA helps identify underlying trends in its business that could otherwise be distorted by the effect of the expenses that are excluded calculating EBITDA. Videocon d2h believes that EBITDA enhances the overall understanding of its past performance and future prospects and allows for greater visibility with respect to key metrics used by its management in its financial and operational decision-making.

Revenue

Videocon d2h's revenue comprises revenue from operations and other income.

Revenue from Operations

The following table shows a breakdown of Videocon d2h's revenue from operations for the periods indicated:

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)
Subscription revenue	9,356.23	82.8	14,877.41	84.3	6,680.32	82.3	9,484.30	85.4
Other operating revenue	1,300.85	11.5	1,891.88	10.7	1,008.72	12.4	1,127.04	10.1
Lease rentals	591.90	5.3	761.34	4.3	361.56	4.5	443.74	4.0
Sale of set-top box and accessories	46.49	0.4	113.47	0.7	62.44	0.8	53.89	0.5
Total	11,295.47	100.0	17,644.10	100.0	8,113.04	100.0	11,108.97	100.0

Subscription Revenue: Subscription revenue comprises (i) monthly subscription fees paid by Videocon d2h's subscribers for its programming packages, and (ii) fees for extra services such as additional channels, combination of channels or other add-on packages or value-added services that Videocon d2h offers. The total amount of subscription revenue depends on the number of paying subscribers and the amount of monthly subscription fees paid for the packages subscribed by the subscribers.

Other Operating Revenue: Other operating revenue comprises income received from the installation of consumer premises equipment, revenue received for repairs undertaken and for services provided to the

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subscriber, carriage fees received from broadcasters for carrying their channels on Videocon d2h's platform and for net activations paid by new subscribers. Fees for activation are collected up front and recognized as revenue upon the activation of consumer premises equipment. Fees for activation are reflected net of any applicable activation expenses.

Lease Rental: Lease rental represents the rental revenues for the lease of set-top boxes and out-door units and any associated spares and accessories. The lease rental Videocon d2h receives from a new subscriber is recognized over a period of seven years from the date of activation. Videocon d2h offers subscribers the option to lease, buy or rent-to-own the set-top box, in accordance with applicable Indian regulations.

Sale of Set-top Boxes and Other Accessories: Sale of set-top boxes and other accessories primarily comprises revenue received from the sale of set top boxes, spares and tools. The sale price of set-top boxes depends on the model type of the product. These sales also include the sale of related spares and accessories.

Other Income

Videocon d2h's other income comprises liabilities/provisions no longer required to be written back which primarily relate to recovery of credit provided to customers once their subscriptions expire and other non-operating income. The following table shows Videocon d2h's components of other income for the periods indicated:

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)
Liabilities/provisions no longer required written back	2.52	70.0	15.41	89.3	—	0.0	—	0.0
Other non-operating income	1.08	30.0	1.85	10.7	0.77	100.0	0.43	100.0
Total	3.60	100.0	17.26	100.0	0.77	100.0	0.43	100.0

Expenses

Videocon d2h's expenses comprise (i) operating expenses; (ii) employee benefits expense; (iii) administrative and other expenses; and (iv) selling and distribution expenses.

Operating Expenses: Operating expenses comprise content and programming costs, IT support costs, license fees and taxes, space segment charges and fees, installation and service expenses, and cost of materials and components consumed. Content and programming costs comprise monthly license fees due to television broadcasters and channel distributors. IT support costs comprise expenses for IT support activities. License fees and taxes comprise license fees payable to the MIB and also include entertainment taxes paid under protest to the respective authorities. Space segment charges and fees comprise fees paid towards the rental of the transponders of the ST-2 satellite of SingTel pursuant to the Ku-Band Lease Agreement, with the Department of Space, as well as the network operations control center fee and spectrum charges. Installation and service expenses comprise expenses Videocon d2h incurs when it installs consumer premises equipment for a new subscriber and expenses incurred towards repair of such equipment. Cost of materials and components consumed comprise the cost of set-top boxes that are sold to subscribers and the cost of consumption of spares and tools for the purpose of undertaking repairs of consumer premises equipment. The following table shows the components of Videocon d2h's operating expenses for the periods indicated:

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)
Content and programming costs	4,568.58	55.3	6,019.58	56.2	2,856.73	56.3	3,753.94	58.0
License fees and taxes	1,114.43	13.5	1,832.05	17.1	837.14	16.5	1,168.79	18.1
Space segment charges and fees	994.47	12.0	1,332.29	12.4	594.75	11.7	696.73	10.8
Installation and service expenses	1,228.72	14.9	1,028.68	9.7	563.61	11.1	603.92	9.3
IT support costs	233.15	2.8	283.60	2.6	133.50	2.6	148.71	2.3
Cost of materials and components consumed	125.24	1.5	218.86	2.0	85.85	1.7	98.49	1.5
Total	8,264.59	100.0	10,715.06	100.0	5,071.58	100.0	6,470.58	100.0

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Employee Benefits Expense: Videocon d2h's employee benefits expense comprises salaries, discretionary bonuses and allowances, contributions to Provident and other funds, and staff welfare expenses. The following table shows the components of Videocon d2h's employee benefits expenses for the periods indicated:

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)
Salaries, discretionary bonuses and allowances	729.34	93.7	809.94	93.7	406.13	94.0	457.79	93.7
Contributions to Provident and other funds	31.34	4.0	33.76	3.9	16.99	3.9	18.56	3.8
Staff welfare expenses	18.02	2.3	20.58	2.4	9.02	2.1	12.05	2.5
Total	778.70	100.0	864.28	100.0	432.14	100.0	488.40	100.0

Administrative and Other Expenses: Administrative and other expenses include, among other things, expenses related to state government fees and taxes, travelling and conveyance expenses, rent, office and general expenses and power and fuel expenses. The following table shows the components of Videocon d2h's administrative and other expenses for the periods indicated:

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)
Travelling and conveyance expenses	122.53	27.5	131.45	24.4	63.26	20.9	70.33	24.8
Rent	72.91	16.5	89.78	16.7	42.45	14.0	50.83	17.9
Power and fuel	55.70	12.5	68.98	12.8	39.88	13.2	41.84	14.8
Legal and professional charges	53.98	12.1	67.11	12.5	16.96	5.6	25.13	8.9
Office and general expenses	57.04	12.8	63.48	11.8	25.86	8.5	39.28	13.9
Exchange fluctuation loss (net)	26.29	5.9	48.17	8.9	80.71	26.6	13.72	4.8
Communication expenses	20.09	4.5	24.88	4.6	12.20	4.0	13.96	4.9
Repairs and maintenance	18.62	4.2	22.20	4.1	11.12	3.7	13.28	4.7
Printing and stationery	9.93	2.2	10.84	2.0	5.42	1.8	7.82	2.8
Insurance expenses	5.43	1.2	5.78	1.1	2.35	0.8	2.57	0.9
Rates and taxes	1.38	0.3	4.51	0.8	1.74	0.6	2.95	1.0
Liabilities/provisions no longer required written back	—	—	—	—	—	—	0.96	0.3
Auditors' remuneration	1.51	0.3	1.53	0.3	0.93	0.3	0.79	0.3
Total	445.41	100.0	538.71	100.0	302.88	100.0	283.46	100.0

Selling and Distribution Expenses: Selling and distribution expenses comprise advertisement and marketing expenses, customer support services, which are expenses incurred towards customer care, subscriber management and logistics costs, and expenses incurred for distribution. The following table shows the components of Videocon d2h's selling and distribution expenses for the periods indicated:

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)
Advertisement and marketing expenses	336.82	32.6	893.68	55.7	553.93	62.3	469.64	50.0
Customer support services	640.79	62.0	627.16	39.0	300.32	33.8	428.15	45.6
Distribution expenses	55.76	5.4	84.72	5.3	34.28	3.9	40.92	4.4
Total	1,033.37	100.0	1,605.56	100.0	888.53	100.0	938.71	100.0

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Finance Costs/Finance Income (Net): Finance costs comprise interest expense, other borrowing costs and bank charges incurred. Finance income comprises interest income on deposits. The following table shows the components of Videocon d2h's finance costs/finance income (net) for the periods indicated:

	(restated) Fiscal Year				(restated) For six-month period ended September 30,			
	2013		2014		2013		2014	
	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)	(Rs. in million)	(%)
Finance costs								
Bank loan interest expense	(2,493.74)	(90.8)	(4,235.14)	(97.3)	(2,140.24)	(99.6)	(1,984.38)	(94.7)
Other borrowing (interest and costs)	(164.67)	(6.0)	(112.08)	(2.6)	(40.21)	(1.9)	(72.20)	(3.4)
Bank charges	(138.94)	(5.1)	(100.76)	(2.3)	(31.15)	(1.5)	(70.12)	(3.3)
Finance income (net)								
Interest income	50.83	1.9	96.96	2.2	63.77	3.0	32.19	1.5
Total	<u>(2,746.52)</u>	<u>(100.0)</u>	<u>(4,351.02)</u>	<u>(100.0)</u>	<u>(2,147.83)</u>	<u>(100.0)</u>	<u>(2,094.51)</u>	<u>(100.0)</u>

Depreciation, Amortization and Impairment Expense: Depreciation and amortization expense comprises depreciation of plant and machinery and other equipment, furniture, office equipment, vehicles, computer hardware and amortization of computer software and other intangible assets. It also includes the amortization of consumer premises equipment that Videocon d2h leases to its subscribers. Videocon d2h amortizes the cost of consumer premises equipment over a period of seven years. Impairment expense includes the net cost of consumer premises equipment installed at the premises of subscribers who have not made payment for more than 500 days after recognizing churn (which is currently recognized after non-payment by a subscriber for a continuous period of 120 days).

Income Tax Expense:

Income tax comprises current tax and deferred tax. Provision for current income tax is made on the assessable income and benefits at the rate applicable to the relevant assessment year. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to certain considerations. Deferred tax is measured using the tax rates enacted or substantively enacted as of the balance sheet date. Deferred assets carried forward are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilized. Any reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Certain Key Measures of Financial Performance

Average Revenue Per User

ARPU represents the revenue Videocon d2h receives per average number of subscribers per period. Videocon d2h calculates ARPU by dividing its subscription revenue by the average of its net subscribers for the period.

The following table provides Videocon d2h's ARPU and churn (as a percentage of subscription revenue) for the 2013 and 2014 fiscal years and the six-month period ended September 30, 2014:

		Fiscal year		For six-month period ended September 30,	
		2013	2014	2013	2014
	Closing Gross Subscribers (millions)	8.03	10.45	9.20	11.82
	Less: Churn Subscribers (Gross minus Net Subscribers)*	1.32	2.01	1.60	2.36
A	Net Subscribers (millions)	6.71	8.44	7.60	9.46
B	Average Net Subscribers (millions)**	5.78	7.58	7.15	8.95
C	Incremental Churn Subscribers (millions)	0.68	0.69	0.28	0.35
D	Total Subscription and activation charges (Rs. in millions)***	10,408.15	16,445.83	7,510.15	10,209.89
E = (D/B/Number of Months)	ARPU (in Rs.)	150.1	180.9	175.0	190.2
F = (C/B/Number of Months)	Monthly Churn (as a percentage of average Net Subscribers)	0.98%	0.76%	0.64%	0.65%

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* Churn has been calculated as the number of subscribers who have not made payment for at least 120 days and is the difference between the number of gross subscribers and the number of net subscribers

** (Opening net subscribers + closing net subscribers)/2

***Includes margins provided to distributors for distribution of subscriptions and consumer premises equipment for the 2013 and 2014 fiscal years and the six-month period ended September 30, 2014 in the amounts of Rs.720.39 million, Rs.1,194.92 million and Rs.712.53 million respectively. Subscription and activation charges collected from subscribers is a Non-IFRS measure. See “*Important Information About IFRS and Non-IFRS Measures*”.

ARPU is a common terminology used in the pay TV industry worldwide to measure the operational performance of a company in the pay-TV business. The subscription and activation charges are considered on a gross basis without netting off the margins or discounts provided to the distributors as an industry practice.

The following table shows a reconciliation of subscription and activation charges to other operating revenue:

Particulars		<i>(Rupees in Million)</i>			
		Fiscal year		For six-month period ended September 30,	
		2013	2014	2013	2014
<u>Breakup of other operating revenue</u>					
Other Operating Revenue (as per IFRS financial statement)		1,300.85	1,891.88	1,008.72	1,127.04
<u>Breakup into Activation Revenue & Others</u>					
Activation Revenue	A	331.53	373.50	348.09	13.06
Other Operating Revenue (excluding activation revenue as above)	B	969.32	1,518.38	660.63	1,113.98
Total		1,300.85	1,891.88	1,008.72	1,127.04
<u>Reconciliation</u>					
Activation Revenue (as above A)	C	331.53	373.50	348.09	13.06
Add: Margins to dealers & distributors	D	131.80	338.12	84.19	238.06
Total Activation Charges	E=C+D	463.33	711.62	432.27	251.12
Subscription Revenue (as per IFRS financial statement)	F	9,356.23	14,877.41	6,680.32	9,484.30
Add: Margins to dealers & distributors	G	588.59	856.80	397.56	474.47
Total Subscription Charges	H=F+G	9,944.82	15,734.21	7,077.88	9,958.77
Total Subscription & Activation charges (as considered for ARPU working on page 178 of F-4)	I=E+H	10,408.15	16,445.83	7,510.15	10,209.89
Margins to dealers & distributors	J=D+G	720.39	1,194.92	481.75	712.53

Videocon d2h's financial statements (restated) include items labelled as ‘Subscription Revenue’ and ‘Other Operating Revenue’. Other Operating Revenue includes installation income, revenue from repairs services, carriage fees received from broadcasters and net activation fees paid by new subscribers.

Subscriber Acquisition Costs

Videcon d2h calculates subscriber acquisition cost as the difference between (i) consumer premises equipment cost, distributor margins, installation expenses, and marketing spend; and (ii) upfront charges received from a new subscriber (net of taxes). Subscriber acquisition cost per subscriber is calculated by dividing subscriber acquisition cost by gross subscriber additions during the period. The following table

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provides Videocon d2h's subscriber acquisition costs per subscriber for t fiscal 2013 and 2014 and the six-month period ended September 30, 2014:

Particulars (in Rs. per subscriber)	Fiscal year		For six-month period ended September 30,	
	2013	2014	2013	2014
Subscriber Acquisition Costs				
- Hardware Costs	1,927	1,720	1,608	1,899
- Marketing costs	163	170	267	164

Gross subscriber additions for the 2014 fiscal year were 2.43 million. Hardware acquisition costs comprise the cost of consumer premises equipment less the net realization attributable to set-top boxes, outdoor units and its accessories and attributable to installation (the net realization is the gross revenue less service tax, VAT, discount to trade, and installation expenses). Marketing cost comprises the advertising and promotion expenses.

Six-month period ended September 30, 2014 Compared to Six-month period ended September 30, 2013

Revenue from operations: Videocon d2h's revenue from operations increased by 36.9% to Rs.11,108.97 million for the six-month period ended September 30, 2014 from Rs.8,113.04 million for the six-month period ended September 30, 2013, primarily as a result of an increase in total subscription revenue due to an increase in the total number of gross subscribers to 11.82 million as of September 30, 2014 from 9.20 million as of September 30, 2013, which also led to a corresponding increase in lease rentals and sale of set-top boxes and other accessories and an increase in ARPU.

Subscription Revenue: Videocon d2h's subscription revenue increased by 42.0% to Rs.9,484.30 million for the six-month period ended September 30, 2014 from Rs.6,680.32 million for the six-month period ended September 30, 2013, primarily as a result of an increase in the total number of gross subscribers as the overall DTH industry witnessed an increase of 8.78 million subscribers in fiscal year 2014 primarily on account of Government of India's rolling out of phase I and II of digitalization and the and an increase in ARPU due to the reduction of free-air time extended to subscribers, increase in base prices of packages offered and subscribers opting for premium packages (*Source: MPA Report*). Videocom d2h's package prices increased in the range of Rs.200 to Rs.231 per month.

Other Operating Revenue: Videocon d2h's other operating revenue increased by 11.7% to Rs.1,127.04 million for the six-month period ended September 30, 2014 from Rs.1,008.72 million for the six-month period ended September 30, 2013, primarily as a result of an increase in the number of gross subscribers.

Lease Rental: Videocon d2h's lease rental revenue increased by 22.7% to Rs.443.74 million for the six-month period ended September 30, 2014 from Rs.361.56 million for the six-month period ended September 30, 2013, primarily as a result of an increase in the total number of gross subscribers.

Sale of Set-top Boxes and Other Accessories: Videocon d2h's revenue from sale of set-top boxes and other accessories decreased by 13.7% to Rs.53.89 million for the six-month period ended September 30, 2014 from Rs.62.44 million for the six-month period ended September 30, 2013, primarily as a result of decrease in sale of accessories, due to efficient products and services of Videocon d2h.

Other Income: Videocon d2h's other income decreased by 44.2% to Rs.0.43 million for the six-month period ended September 30, 2014 from Rs.0.77 million for the six-month period ended September 30, 2013, as a result of a decrease in sale of products sold by third parties.

Total Expenses: Videocon d2h's total expenses increased by 23.0% to Rs.10,710.11 million for the six-month period ended September 30, 2014 from Rs.8,709.52 million for the six-month period ended September 30, 2013, as a result of an increase in operating expenses, employee benefit expenses, selling and distribution expenses and administrative and other expenses and depreciation, amortization and impairment during the six-month period ended September 30, 2014 compared to the six-month period ended September 30, 2013.

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Operating Expenses: Videocon d2h's operating expenses increased by 27.6% to Rs.6,470.58 million for the six-month period ended September 30, 2014 from Rs.5,071.58 million for the six-month period ended September 30, 2013, primarily as a result of an increase in content costs to Rs.3,753.94 million for the six-month period ended September 30, 2014 from Rs.2,856.73 million for the six-month period ended September 30, 2013 primarily due to the increase in gross subscribers, an increase in license fees and taxes to Rs.1,168.79 million for the six-month period ended September 30, 2014 from Rs.837.14 million for the six-month period ended September 30, 2013 resulting from the increase in revenue and gross subscribers, an increase in space segment charges, fees to Rs.696.73 million for the six-month period ended September 30, 2014 from Rs.594.75 million for the six-month period ended September 30, 2013 resulting from the increase in the number of leased transponders from eight to 10 during the six-month period ended September 30, 2014 and installation and service expenses to Rs.603.92 million for the six-month period ended September 30, 2014 from Rs.563.61 million for the six-month period ended September 30, 2013, primarily as a result of increased installations.

Employee Benefits Expense: Videocon d2h's employee benefits expense increased by 13.0% to Rs.488.40 million for the six-month period ended September 30, 2014 from Rs.432.14 million for the six-month period ended September 30, 2013, primarily as a result of an increase in salary and wages to Rs.457.79 million for the six-month period ended September 30, 2014 from Rs.406.13 million for the six-month period ended September 30, 2013 as a result of the periodic increase in compensation to its employees and an increase in the number of employees to 1,103 as of September 30, 2014 compared to 1,081 as of September 30, 2013.

Selling and Distribution Expenses: Videocon d2h's selling and distribution expenses increased by 5.6% to Rs.938.71 million for the six-month period ended September 30, 2014 from Rs.888.53 million for the six-month period ended September 30, 2013, primarily due to the increase in customer support expenses to Rs.428.15 million for the six-month period ended September 30, 2014 from Rs.300.32 million for the six-month period ended September 30, 2013 as a result of an increase in the total number of gross subscribers. This increase was partially offset by a decrease in advertisement and marketing expenses to Rs.469.64 million for the six-month period ended September 30, 2014 from Rs.553.93 million for the six-month period ended September 30, 2013.

Administrative and Other Expenses: Videocon d2h's administrative and other expenses decreased by 6.4% to Rs.283.46 million for the six-month period ended September 30, 2014 from Rs.302.88 million for six-month period ended September 30, 2013, primarily as a result of appreciation of the Rupee against the Dollar to Videocon d2h.

Depreciation, Amortization and Impairment Expense: Videocon d2h's depreciation, amortization and impairment expense increased to Rs.2,528.96 million for the six-month period ended September 30, 2014 from Rs.2,014.39 million for the six-month period ended September 30, 2013, primarily as a result of an increase in capital assets resulting from an increase in the number of gross subscribers.

Finance Costs/Finance Income (Net): Videocon d2h's finance costs/finance income (net) decreased by 2.5% to Rs.2,094.51 million for the six-month period ended September 30, 2014 from Rs.2,147.83 million for the six-month period ended September 30, 2013, as a result of an overall reduction in average outstanding of indebtedness during the period ended September 30, 2014.

Tax Expense: Videocon d2h did not have any current tax expense for the six-month period ended September 30, 2014 or six-month period ended September 30, 2013. Videocon d2h's deferred tax expense decreased by 38.2% to Rs.523.98 million for the six-month period ended September 30, 2014 from Rs.847.75 million for the six-month period ended September 30, 2013.

Loss for the Year: Videocon d2h's loss for the year decreased by 38.2% to Rs.1,171.24 million for the six-month period ended September 30, 2014 from Rs.1,895.79 million for the six-month period ended September 30, 2013, as a result of the factors described above.

Fiscal year 2014 Compared to Fiscal year 2013

Revenue from operations: Videocon d2h's revenue from operations increased by 56.2% to Rs.17,644.10 million for the 2014 fiscal year from Rs.11,295.47 million for the 2013 fiscal year, primarily as

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a result of an increase in total subscription revenue due to an increase in the total number of gross subscribers to 10.45 million as of March 31, 2014 from 8.03 million as of March 31, 2013, which also led to a corresponding increase in lease rentals and sale of set-top boxes and other accessories.

Subscription Revenue: Videocon d2h's subscription revenue increased by 59.0% to Rs.14,877.41 million for the fiscal year 2014 from Rs.9,356.23 million for the fiscal year 2013, primarily as a result of a 2.3 million increase in the total number of gross subscribers as the overall DTH industry witnessed an increase of 8.78 million subscribers in Fiscal 2014 (MPA Report) and as one of the fast growing DTH players Videocon d2h had an incremental share of 27.7% of the new subscribers. The industry grew at this pace primarily on account of Government of India's rolling out of phase I and II of digitalization and an increase in ARPU due to the reduction of free-air time extended to subscribers, increase in base prices of packages offered and subscribers opting for premium packages. The ARPU increased from Rs.150.10 per month to Rs.180.90 per month.

Other Operating Revenue: Videocon d2h's other operating revenue increased by 45.4% to Rs.1,891.88 million for the fiscal year 2014 from Rs.1,300.85 million for the fiscal year 2013, primarily as a result of an increase in the number of gross subscribers.

Lease Rental: Videocon d2h's lease rental revenue increased by 28.6% to Rs.761.34 million for the fiscal year 2014 from Rs.591.90 million for the fiscal year 2013, primarily as a result of an increase in the total number of gross subscribers.

Sale of Set-top Boxes and Other Accessories: Videocon d2h's revenue from sale of set-top boxes and other accessories increased by 144.1% to Rs.113.47 million for the fiscal year 2014 from Rs.46.49 million for the fiscal year 2013, primarily as a result of an increase in the total number of gross subscribers.

Other Income: Videocon d2h's 'other income' increased by 379.44% to Rs.17.26 million for the fiscal year 2014 from Rs.3.60 million for the fiscal year 2013, on account of increase in write back of liabilities/provisions no longer required. During fiscal 2014, the provisions for doubtful debts amounting to Rs 15.41 million was written back as those subscribers paid the dues and reactivated their subscription accounts as compared to Rs.2.52 million written back during fiscal year 2013.

Total Expenses: Videocon d2h's total expenses increased by 31.4% to Rs.17,935.50 million for the fiscal year 2014 from Rs.13,647.94 million for the fiscal year 2013, as a result of an increase in operating expenses, employee benefit expenses, selling and distribution expenses and administrative and other expenses and depreciation, amortization and impairment during the fiscal year 2014 compared to the fiscal year 2013.

Operating Expenses: Videocon d2h's operating expenses increased by 29.7% to Rs.10,715.06 million for the fiscal year 2014 from Rs.8,264.59 million for the fiscal year 2013, primarily as a result of an increase in content costs to Rs.6,019.58 million for the fiscal year 2014 from Rs.4,568.58 million for the fiscal year 2013 mainly due to the increase in gross subscribers, an increase in license fees and taxes to Rs.1,832.05 million for the fiscal year 2014 from Rs.1,114.43 million for the fiscal year 2013 resulting from the increase in revenue and gross subscribers, an increase in space segment charges and fees to Rs.1,332.29 million for the fiscal year 2014 from Rs.994.47 million for the fiscal year 2013 resulting from the increase in the number of leased transponders from 8 to 10 during the 2014 fiscal year. This increase was partially offset by a decrease in installation and service expenses to Rs.1,028.68 million for the fiscal year 2014 from Rs.1,228.72 million for the fiscal year 2013 resulting from Videocon d2h's transition from a service franchisee model to providing customer service through direct service centers.

Employee Benefits Expense: Videocon d2h's employee benefits expense increased by 11.0% to Rs.864.28 million for the fiscal year 2014 from Rs.778.70 million for the fiscal year 2013, primarily as a result of an increase in salary and wages to Rs.809.94 million for the fiscal year 2014 from Rs.729.34 million for the fiscal year 2013 as a result of the periodic increase in compensation to its employees and an increase in the number of employees to 1,078 as of March 31, 2014 compared to 1,052 as of March 31, 2013.

Selling and Distribution Expenses: Videocon d2h's selling and distribution expenses increased by 55.4% to Rs.1,605.56 million for the fiscal year 2014 from Rs.1,033.37 million for the fiscal year 2013, primarily due to an increase in advertisement and marketing expenses to Rs.893.68 million for the fiscal year 2014 from

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Rs.336.82 million for the fiscal year 2013 as Videocon d2h capitalized brand acquisition expenses in the 2013 fiscal year but incurred brand development expenses in the 2014 fiscal year.

Administrative and Other Expenses: Videocon d2h's administrative and other expenses increased by 20.9% to Rs.538.71 million for the fiscal year 2014 from Rs.445.41 million for the fiscal year 2013, primarily as a result of an increase in travelling and conveyance expenses to Rs.131.45 million for the fiscal year 2014 from Rs.122.53 million for the fiscal year 2013 resulting from an increase in the number of employees and an increase in fuel costs and an increase in rent to Rs.89.78 million for the fiscal year 2014 from Rs.72.91 million for the fiscal year 2013 resulting from Videocon d2h's transition from a service franchisee model to providing customer service through direct service centers, which incur rental expenses.

Depreciation, Amortization and Impairment Expense: Videocon d2h's depreciation, amortization and impairment expense increased to Rs.4,211.89 million for the fiscal year 2014 from Rs.3,125.87 million for the fiscal year 2013, primarily as a result of an increase in the total number of gross subscribers and as a result, the corresponding increase in depreciation recognized for consumer premises equipment installed and increase in the number of subscribers who had not made payment for more than 500 days after recognizing churn.

Finance Costs/Finance Income (Net): Videocon d2h's finance costs/finance income (net) increased by 58.4% to Rs.4,351.02 million for the fiscal year 2014 from Rs.2,746.52 million for the fiscal year 2013, as a result of an increase in bank loan interest to Rs.4,235.14 million for the fiscal year 2014 from Rs.2,493.74 million for the fiscal year 2013, primarily as a result of an increase in Videocon d2h's secured long term loans to Rs.27,888.45 million as of March 31, 2014 from Rs.23,002.50 million as of March 31, 2013.

Tax Expense: Videocon d2h did not have any current tax expense for the 2014 or 2013 fiscal year. Videocon d2h's deferred tax expense decreased by 9.0% to Rs.1,429.68 million for the 2014 fiscal year from Rs.1,571.06 million for the 2013 fiscal year.

Loss for the Year: Videocon d2h's loss for the year decreased by 9.3% to Rs.3,195.48 million for the fiscal year 2014 from Rs.3,524.33 million for the fiscal year 2013, as a result of the factors described above.

Financial Condition, Liquidity and Sources of Capital

The auditors of Videocon d2h have stated in their audit opinion that the accumulated losses of Videocon d2h exceed its paid up share capital and that Videocon d2h's ability to continue as a going concern is dependent on its ability to fund its operations and capital expenditure requirements. See "*Risk Factors — Videocon d2h has accumulated losses exceeding its paid-up share capital, which may affect its ability to continue as a "going concern"*" for further information. As of September 30, 2014, Videocon d2h had Rs.30,961.54 million in outstanding indebtedness, all of which was floating rate, Rupee denominated indebtedness. Videocon d2h regularly experiences delays in payment on its indebtedness as the industry in which Videocon d2h operates in is highly capital intensive. Videocon d2h anticipates it will have annual capital expenditure of approximately Rs. 6,000 million to Rs.8,000 million for purchase of consumer premises equipment in fiscal 2015. These capital expenditures for consumer premises equipment are for acquisition of new subscribers. In the initial years of operations, when the subscribers' base was low and generating low cash flow from operations and the operational expenditures were high, Videocon d2h met its revenue gap and capital expenditure requirement with borrowings of term loans from banks and its Principal Shareholders, and also from unsecured loan received from Videocon Industries Limited. The Company has experienced cash flow mismatches in past, resulting in delays in servicing its debt repayment obligations. However, with the year on year increase in Videocon d2h's subscriber base and revenue, the financial position of Videocon d2h's is improving and is expected to continue to improve further. This, coupled with the proceeds of this Transaction, is expected to improve Videocon d2h's liquidity and financial position enabling it to service its debt obligations in a timely manner in the future.

As of March 31, 2014 and September 30, 2014, Videocon d2h had overdue payments of principal installments aggregating Rs.595.85 million and Rs.511.10 million, respectively. Overdue interest as on March 31, 2014 was Rs.378.54 million, while there was no overdue interest as of September 30, 2014.

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Videocon d2h believes that it has a good relationship with its lenders and keeps them apprised of payment delays. See “*Risk Factors — Videocon d2h has had overdue payments under some of its loan agreements*” for a description of the potential consequences of these payment delays.

Cash Flows

The table below summarizes Videocon d2h’s cash flows for the fiscal years 2013 and 2014 and six-month period ended September 30, 2014:

	<i>(Rs. in millions)</i>			
	(restated) Fiscal year		(restated) For six-month period ended September 30,	
	2013	2014	2013	2014
Net Cash From/(Used in) Operating Activities	3,633.26	3,327.60	(3,566.05)	5,405.55
Net Cash From/(Used in) Investing Activities	(7,448.48)	(6,119.34)	(3,085.92)	(4,171.71)
Net Cash Provided By/(Used in) Financing Activities	9,561.96	(2,812.03)	1,066.05	(1,303.61)
Net Increase in/(Decrease in) Cash And Cash Equivalents	5,746.74	(5,603.77)	(5,585.92)	(69.77)

Operating Activities

Net cash from operating activities was Rs.5,405.55 million for the six-month period ended September 30, 2014 and consisted of a net loss before tax of Rs.1,695.22 million as adjusted primarily for non-cash and non-operating items, such as depreciation, amortization and impairment of Rs.2,528.96 million and finance costs of Rs.2,126.70 million. In the six-month period ended September 30, 2014, the cash collection predominantly increased on account of increase in subscription revenue, installation revenue and other operating revenues of Rs.2,996 million compared with half year ended September 30, 2013. Our industry operates on the pre-paid model which generates cash upfront from the end-subscriber to use our service. The increase is mainly attributable to growth in subscriber’s base and increase in ARPU due to the reduction of free-air time extended to subscribers, increase in base prices of packages offered and subscribers opting for premium packages. During six-month period ended September 30, 2014, Videocon d2h has added an addition of 1.37 million subscribers leading to a closing gross subscriber base of 11.82 million. This increase in cash collection was utilized for meeting increased operating expenditures, acquiring capital assets and paying finance charges. The significant amount of cash outflow of Videocon d2h was in purchase of consumer premises equipment of Rs.3,540 million, which are installed at subsidized rates and was funded by operating cash surplus and by availing term loans.

Videocon d2h’s operating profit before changes in assets and liabilities was Rs.2,940.10 million. Changes in assets and liabilities primarily consisted of an increase in other financial and non financial assets of Rs.748.35 million and an increase in other financial and non-financial liabilities of Rs.1,696.39 million. Videocon d2h also paid income taxes of Rs.20.71 million.

Net cash from operating activities was Rs.3,327.60 million for the fiscal year 2014 and consisted of a net loss before tax of Rs.4,625.16 million as adjusted primarily for non-cash and non-operating items, such as depreciation, amortization and impairment of Rs.4,211.89 million and finance costs of Rs.4,447.98 million. In fiscal year 2014, the cash collection predominantly increased on account of increase in subscription revenue and other operating revenues of Rs.6,349.00 million. Our industry operates on the pre-paid model which generates cash upfront from the end-subscriber to use our service. The increase is mainly attributable to growth in subscriber’s base and increase in ARPU due to the reduction of free-air time extended to subscribers, increase in base prices of packages offered and subscribers opting for premium packages. This increase in cash collection was utilized for meeting increased operating expenditures, acquiring capital assets and paying finance charges. With the growth in subscriber base by 2.43 million subscribers, Videocon d2h experienced heavy outflows on account of purchase of consumer premises equipment of Rs.6180.00 million, which are installed at subsidized rates and was funded by operating cash surplus and by availing term loans from banks. Videocon d2h’s operating profit before changes in assets and liabilities was Rs.3,928.72 million. Changes in assets and liabilities primarily consisted of an increase in other financial and non financial assets

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of Rs.1,635.12 million and an increase in other financial and non-financial liabilities of Rs.875.65 million. Videocon d2h also paid income taxes of Rs.19.25 million.

Net cash from operating activities was Rs.3,633.26 million for the fiscal year 2013 and consisted of a net loss before tax of Rs.5,095.39 million as adjusted primarily for non-cash and non operating items, such as depreciation, amortization and impairment of Rs.3,125.97 million, and finance costs of Rs.2,797.35 million. In fiscal 2013, the cash collection predominantly increased on account of increase in subscription revenue by Rs, 4,230.00 million. Our industry operates on the pre-paid model which generates cash upfront from the end-subscriber to use our service. The increase is mainly attributable to growth in subscriber's base and increase in ARPU due to an increase in base prices of packages offered and subscribers opting for premium packages. The subscriber base in fiscal 2013 was increased by 2.55 million. This increase in cash collection was utilized for meeting increased operating expenditures, acquiring capital assets and paying finance charges. With the growth in subscriber base, Videocon d2h experienced heavy outflows on account of purchase of consumer premises equipment of Rs.6,528 million, which was funded by operating cash surplus and by availing borrowings.

Videocon d2h's operating profit before changes in assets and liabilities was Rs.789.19 million. Changes in assets and liabilities consisted primarily of an increase in other financial and non financial assets of Rs.310.18 million and an increase in other financial and non-financial liabilities of Rs.2,797.97 million. Videocon d2h also paid direct taxes of Rs.20.01 million.

Investing Activities

Net cash used in investing activities was Rs.4,171.71 million for the six-month period ended September 30, 2014 and consisted primarily of property, plant and equipment of Rs.4,196.95 million primarily relating to consumer premises equipment.

Net cash used in investing activities was Rs.6,119.34 million for the fiscal year 2014 and consisted primarily of property, plant and equipment of Rs.6,438.82 million primarily relating to consumer premises equipment, partially offset by a decrease in Capital Work-in-Progress of Rs.285.54 million.

Net cash used in investing activities was Rs.3,085.92 million for the six-month period ended September 30, 2013 and consisted of property, plant and equipment and capital work-in-progress of Rs.3106.56 million, and purchase of intangible assets of Rs.43.13 million relating to software acquisition.

Net cash used in investing activities was Rs.7,448.48 million for the fiscal year 2013 and consisted of property, plant and equipment and capital work-in-progress of Rs.7,010.37 million, and purchase of intangible assets of Rs.491.08 million relating to brand acquisition.

Financing Activities

Net cash used in financing activities was Rs.1,303.61 million for the six-month period ended September 30, 2014 and consisted of repayment of borrowings of Rs.1,926.91 million and finance charges paid of Rs.2,126.70 million, partially offset by proceeds from borrowings of Rs.2,750.00 million.

Net cash used in financing activities was Rs.2,812.03 million for the fiscal year 2014 and consisted of repayment of borrowings of Rs.5,697.30 million and finance charges paid of Rs.4,447.98 million, partially offset by proceeds from borrowings of Rs.7,333.25 million.

Net cash from financing activities was Rs.1,066.05 million for the six-month period ended September 30, 2013 and consisted of proceeds from borrowings of Rs.4,333.25 million partially offset by interest and other borrowing costs paid of Rs.2,211.60 million repayments of borrowings of Rs.1,055.60 million.

Net cash from financing activities was Rs.9,561.96 million for the fiscal year 2013 and consisted of proceeds from borrowings of Rs.14,269.50 million partially offset by interest and other borrowing costs paid of Rs.2,797.35 million repayments of borrowings of Rs.1,909.95 million.

Contractual Obligations

The following table sets forth information regarding our contractual obligations and commitments as of September 30, 2014. The table below also does not include payments to be made to content providers as these will depend on the number of subscribers from time to time.

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(Rs. in million)

	Payment Due by Period				
	Total	Less than One Year	One to Three Years	Three to Five Years	Five Years
Long-term debt*	28,711.54	4,174.55	12,242.50	6,342.49	5,952.00
Short-term debt	2,250.00	2,250.00	—	—	—
Amount of contracts remaining to be executed on capital account and not provided for	363.87	363.87	—	—	—
Transponder Expenses**	662.35	662.35	—	—	—
Fixed Content & Programming Cost	13,060.79	4,036.02	7,809.40	1,215.37	—
Variable Content & Programming Cost***	12,516.71	5,107.95	6,133.27	1,275.49	—

* Repayment of Term Loan from bank is presented on a gross basis, without considering processing fees.

** The Ku-Band Lease Agreement expired on February 28, 2015 and accordingly amounts shown are the payments to February 28, 2015. Videocon d2h is in the process of entering into a new three year lease agreement. Payments under the Ku-Band Lease Agreement are required to be made in US dollars and for purposes of this table we have used the Conversion rate at US\$1 = Rs.61.6135 as per the closing rate on September 30, 2014. See “*Risk Factors Videocon d2h’s leased satellite ST-2 is subject to operational, lease and environmental risks that could limit Videocon d2h’s ability to utilize the satellite*”.

***For Variable Content & Programming Cost, Videocon d2h used the closing number of subscribers as of September 30, 2014 for calculating its contractual obligation on variable fees content cost. Under variable fee content agreements, Videocon d2h is required to pay content and programming fees based on the monthly average of active subscribers, i.e., opening active subscribers for the month + closing active subscribers for the month) / 2 multiplied by an agreed rate per active subscriber.

Financial Condition, Liquidity and Sources of Capital

As of September 30, 2014, Videocon d2h had Rs.30,961.54 million in outstanding indebtedness, all of which was floating rate, Rupee denominated indebtedness. Videocon d2h regularly experiences delays in payment on its indebtedness as the industry in which Videocon d2h operates in is highly capital intensive. Videocon d2h anticipates it will have annual capital expenditure of approximately Rs. 6,000 million to Rs.8,000 million for purchase of consumer premises equipment in fiscal 2015. These capital expenditures for consumer premises equipment are for acquisition of new subscribers. In the initial years of operations, when the subscribers’ base was low and generating low cash flow from operations and the operational expenditures were high, Videocon d2h met its revenue gap and capital expenditure requirement with borrowings of term loans from banks and its Principal Shareholders, and also from unsecured loan received from Videocon Industries Limited. The Company has experienced cash flow mismatches in past, resulting in delays in servicing its debt repayment obligations. However, with the year on year increase in Videocon d2h’s subscriber base and revenue, the financial position of Videocon d2h’s is improving and is expected to continue to improve further. This, coupled with the proceeds of this Transaction, is expected to improve Videocon d2h’s liquidity and financial position, enabling it to service its debt obligations in a timely manner in the future.

As of March 31, 2014 and September 30, 2014, Videocon d2h had overdue payments of principal installments aggregating Rs.595.85 million and Rs.511.10 million, respectively. Overdue interest as on March 31, 2014 was Rs.378.54 million, while there was no overdue interest as of September 30, 2014. As of February 18, 2015 Videocon d2h has overdue payments in the amount of Rs.624.52 million (US\$10.14 million), Rs 433.60 million (US\$7.04 million), for interest and principal, respectively.

Videocon d2h believes that it has a good relationship with its lenders and keeps them apprised of payment delays. See “*Risk Factors — Videocon d2h has had overdue payments under some of its loan agreements*” for a description of the potential consequences of these payment delays.

The following table summarizes Videocon d2h’s secured and unsecured long-term indebtedness and subordinated debt obligations as of September 30, 2014.

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	<i>(Rs. in millions)</i>	
Secured Loans:	Outstanding indebtedness as of September 30, 2014	Interest Rate* %
Central Bank of India	1,758.25	13.25% – 14.50%
IDBI Bank Limited	5,270.00	13.75% – 14.50%
Bank of Baroda	2,258.30	14.50%
ICICI Bank Limited	2,850.00	13.50%
KarurVysa Bank Limited	475.00	13.25%
Canara Bank	3,550.00	13.00% – 13.50%
Jammu and Kashmir Bank Limited	1,000.00	13.75%
Syndicate bank	950.00	13.25%
Dena Bank	950.00	13.25%
Oriental Bank of Commerce	925.00	13.00% – 13.50%
Bank of India	1,975.00	13.50%
Bank of Maharashtra	1,000.00	13.00% – 13.15%
Union Bank of India	1,500.00	13.00%
United Bank of India	1,500.00	13.00% – 13.25%
Yes Bank	2,750.00	12.00%
		Prevailing prime lending rate of the State Bank of India minus 2%
Unsecured Loans: Videocon Industries Limited	2,250.00	
Total	30,961.54	

* Interest rate as of September 30, 2014

There are certain restrictive covenants in certain of the arrangements Videocon d2h has entered into with its lenders, including:

- being required to maintain certain security margins and financial ratios; and being required to obtain lender consent for, among other things:
- issuing new equity shares;
- undertaking any new project, diversification, modernization or substantial expansion of its DTH operations;
- formulating any scheme of amalgamation or reconstruction;
- making any material changes to its constitutional documents; incurring further indebtedness;
- creating further encumbrances on or disposing of, its assets; and
- Changing its fiscal year or making investments or acquisitions beyond certain limits in a particular fiscal year.

In addition to the overdue payments of principal amounts aggregating to Rs.511.10 million as on September 30, 2014, the Company has not complied with certain financial covenants stipulated under its loan agreements. Details of such covenants and the status of compliance is set forth below.

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<u>Financial Covenants</u>	<u>To be complied on or after</u>	<u>Stipulated Ratio</u>	<u>Status of Compliance</u>	<u>Calculation as on March 31, 2014, if applicable</u>
Total Debt to Promoters Contribution	March 31, 2011 (to be tested at the end of each financial year thereafter)	Not more than 2 times	Not complied	2.65
Assets Coverage Ratio	March 31, 2011 (to be tested at the end of each financial year thereafter)	At least 1 time	Not complied	0.79
Total Debt	As of March 31, 2013	Less than Rs.16 billion	Not complied	—
EBITDA	As of March 31, 2013	More than RS.4 billion	Not complied	
Debt to EBITDA	As of March 31, 2014	Not more than 3.5 times		7.03
Debt to Net Cash Accruals	As of March 31, 2014	Not more than 5.5 times		Net Cash Accrual is Negative

Videocon d2h believes it has achieved a reasonable subscriber base such that it should be able to meet its operational and borrowing costs from its operating revenues. In addition, Videocon d2h's financial position is expected to improve on account of receipt of the proceeds of this Transaction. Accordingly, the pressure on the liquidity position of Videocon d2h is expected ease in the future. Further, Videocon d2h has exhibited consistent growth in terms of subscriber acquisition in recent years, resulting in Videocon d2h being the fastest growing DTH service provider in India since FY 2012. With an increase in Videocon d2h's subscriber base, its revenue is expected to increase and its debt burden is expected to decrease (including on account of repayment indebtedness amounting to US\$100 million by utilizing the proceeds of this Transaction), thereby reducing the overall finance cost burden.

For these reasons, going forward, the Company's management is confident of being able to fund its operations through its cash flows and complying with the financial covenants in its financing arrangements.

For more information about Videocon d2h's indebtedness, please see "*Videocon d2h's Indebtedness*". See also, "*Risk Factors — Videocon d2h's indebtedness could adversely affect its financial health and make it more difficult for Videocon d2h to service its debt or obtain additional financing, if necessary; Any failure of Videocon d2h to adhere to the terms and conditions of its loan agreements could have an adverse effect on its business, financial condition and results of operations and The restrictive covenants in Videocon d2h's loan agreements and any of the agreements governing its future indebtedness could adversely restrict its financial and operating flexibility*"

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Contingent Liabilities

As of September 30, 2014, Videocon d2h had contingent liabilities that have not been provided for, in the following amounts:

	(restated) (Rs. in million)
	As of September 30, 2014
DTH License fees	3,037.68
Counter guarantees given for guarantees given by the bankers	595.46
Entertainment tax	102.22
Tax deducted at source	56.09
Letters of credit opened by a bank	116.52
Value Added Tax	0.50
Total	3,908.47

See Note 27 to Videocon d2h's financial statements (restated) included in this proxy statement/prospectus.

Off-Balance Sheet Commitments and Arrangements

Videocon d2h does not have any off-balance sheet arrangements.

Seasonality

Videocon d2h's business does not exhibit seasonality. However, Videocon d2h does have increased subscriptions during the holiday seasons and during sporting events such as the Olympics, the football world cup and the cricket world cup which is not necessarily seasonal.

Capital Expenditures

Videocon d2h has historically financed its capital expenditure requirements with cash flows from operations, as well as through long-term and short-term borrowings.

Videocon d2h made capital expenditures of Rs.7,486.31 million, Rs.6,216.29 million and Rs.4,260.86 in fiscal years 2013 and 2014 fiscal years and the six-month period ended September 30, 2014, respectively. As of September 30, 2014, Videocon d2h had committed capital expenditures of Rs.363.87 million, of which it expects to spend Rs.363.87 million during fiscal year 2015. In addition, Videocon d2h expects to spend an additional amount of approximately Rs.3,500 million on capital expenditures during the remaining 2015 fiscal year. The capital expenditures in the past principally consisted of cost towards purchase of consumer premises equipment.

Videocon d2h's actual capital expenditures may vary from projected amounts due to various factors, including changes in market conditions, ability to obtain adequate financing for planned capital expenditures, the GoI's policies regarding the DTH industry and the condition of the Indian economy. In addition, Videocon d2h's planned capital expenditures do not include any expenditure for potential acquisitions or investments that it may evaluate from time to time.

Quantitative and Qualitative Disclosures about Market Risk

Videocon d2h is exposed to various types of market risks in the ordinary course of its business, including fluctuations in foreign exchange rates and interest rates. Videocon d2h has a risk management policy that seeks to identify, analyze, mitigate and control various risks associated with its business environment, and a risk manager to identify various risks affecting its business, particularly those relating to market dynamics, business laws, systems and processes, internal control mechanisms, governance and technology. Videocon d2h evaluates these risks in terms of their relevance and impact on its business, and once identified monitors and analyzes the risk to seek to minimize their impact. Videocon d2h also evaluates the effectiveness of its risk monitoring system from time to time.

Foreign Exchange Risk

Under the terms of the Ku-Band Lease Agreement through which Videocon d2h leases ten satellite transponders on the ST-2 satellite, Videocon d2h is required to pay the Indian Rupee equivalent of US\$1,791,666.67 per month to Antrix Corporation at the exchange rate prevalent at the time of payment made by Antrix Corporation to SingTel. Further, Videocon d2h imports smart cards and other equipment for which payment is also made in U.S. Dollars. Consequently, if the Rupee declines against the U.S. Dollar, Videocon d2h will be required to make larger payments in Indian Rupees, which may adversely affect its financial condition and results of operations.

As of September 30, 2014, trade payables in foreign currencies were Rs.622 million. Based on Videocon d2h's operations in the 2014 fiscal year, a 5.0% appreciation of the US dollar against the Indian Rupee as of September 30, 2014, assuming all other variables remained constant, would have decreased Videocon d2h's profit for the year by Rs.31 million. Similarly, a 5.0% depreciation of the US dollar against the Indian Rupee as of September 30, 2011, assuming all other variables remained constant, would have increased its profit for the year by Rs.31 million.

Interest Rate Risk

Videocon d2h is exposed to interest rate risk resulting from fluctuations in interest rates. All of Videocon d2h's bank borrowings consist of floating rate obligations linked to the applicable bank rates, which will typically be adjusted by the bank at certain intervals in accordance with prevailing interest rates. Increases in interest rates would increase interest expenses relating to its outstanding floating rate borrowings and increase the cost of new debt. Based on Videocon d2h's consolidated balance sheet as of September 30, 2014, a sensitivity analysis shows that an increase of 100 basis points in interest rates as of September 30, 2014 would have decreased profit or increased loss by Rs.278.12 million and would not have had any impact on its equity. Similarly, a decrease of 100 basis points in interest rates as of March 31, 2014 would have increased profit or decreased loss by Rs.278.12 million and would not have had any impact on its equity.

Inflation

In recent years, India has experienced relatively high rates of inflation. While Videocon d2h believes inflation has not historically had any material impact on its business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect it.

Videocon d2h's Indebtedness

Set forth below is a brief summary of Videocon d2h's significant outstanding borrowings of approximately Rs.28,711.54 million, as of September 30, 2014, together with a brief description of certain significant terms of such borrowings.

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A. Details of Secured Borrowings of Videocon d2h

Set forth below is a summary of our secured borrowings as of September 30, 2014 (unless otherwise stated).

Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
Central Bank of India	<ul style="list-style-type: none"> • Term loan agreement dated December 6, 2008 for term loan facilities of Rs.3,500 million • A bank guarantee of Rs.250 million and a letter of credit of Rs.600 million pursuant to sanction letter dated April 13, 2010 	1,305.92	Five years under progressive payment schedule	<p>First charge ranking <i>pari passu</i> by way of equitable mortgage/registered mortgage on the entire block assets of Videocon d2h;</p> <p>First charge ranking <i>pari passu</i> by way of hypothecation of Videocon d2h's entire plant and machinery, equipment, licenses, moveable assets, both present and future, created out of project implementation (including assignment of contracts relating to transponder capacity, all government licenses and authorizations, insurance policies) and further to be created if any until repayment of the term loan;</p> <p>Additional security by way of personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot, and corporate guarantee of VIL <i>Pari passu</i> charge on current assets of Videocon d2h, both present and future.</p>

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Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
	Term loan agreement dated February 25, 2013, for a term loan facility of Rs.1,000 million	958.25	24 unequal quarterly instalments commencing on April 1, 2015, after a moratorium of 27 months from the date of first disbursement	<p>First charge ranking <i>pari passu</i> on all movable and immovable assets of Videocon d2h (both present and future).</p> <p>Charge in favor of all term lenders on the Debt Service Reserve Account (“DSRA”) equivalent to one quarter of debt servicing.</p> <p>Assignment of all government authorization, licenses, contracts relating to transponder capacity etc.;</p> <p>Assignment of insurance policies; Assignment of the rights of Videocon d2h under the DTH license;</p> <p>Charge in favour of all term lenders on the escrow and debt service reserve accounts of Videocon d2h.</p> <p>Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot; and corporate guarantees of Solitaire Appliances Private Limited (“Solitaire”), Greenfield Appliances Private Limited (“Greenfield”) and Platinum Appliances Private Limited (“Platinum”).</p>

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Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
IDBI Bank Limited	Sanction letter dated June 6, 2009 and term loan agreement dated July 31, 2009 for term loan facility of Rs.3,600 million	570.00	Four years or 16 quarterly installments. The last date of drawal was March 31, 2011.	<p>First mortgage and charge of all immovable properties, both present and future of Videocon d2h;</p> <p>First charge by way of hypothecation of the Videocon d2h's entire movables, including movable machinery, machinery spares, tools and accessories, present and future;</p> <p>Charge on the escrow and debt service coverage accounts;</p> <p>Assignment by Videocon d2h by way of first charge of (i) the contracts relating to transponder capacity to be in line with the assignment agreement in favour of Central Bank of India in relation to the Central Bank of India term loan; and (ii) all contracts, government authorizations, licenses, and insurance policies; and</p> <p>Irrevocable and unconditional guarantee from Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot and corporate guarantee of VIL</p>

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Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
	Sanction letters dated January 3, 2014, and rupee loan agreement dated January 7, 2014 for a rupee term loan facility of Rs.3,000 million	3,000.00	24 unequal quarterly installments commencing from April 1, 2015, after a moratorium of 15 months from the date of first disbursement	First charge ranking <i>pari passu</i> on all movable and immovable assets of Videocon d2h (both present and future). Charge in favor of all term lenders on the DSRA equivalent to one quarter of debt servicing. Assignment of the rights of Videocon d2h under the DTH License;
	Sanction letter dated December 20, 2012, and loan agreement dated January 10, 2013 for a term loan facility of Rs.1,750 million	1700.00		Charge in favour of all term lenders on the escrow account of Videocon d2h. Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot; and corporate guarantees of Solitaire, Greenfield and Platinum.
Bank of Baroda	Sanction letters dated April 26, 2010, September 20, 2010 and March 5, 2013 for term loan facility of Rs.1,000 million (“ Term Loan I ”)	258.30	Term Loan I: 60 months including 12 months moratorium period from the date of first disbursement and a repayment period of 48 months. Repayment in 16 quarterly structured installments.	Term Loan I and Term Loan II: First charge on the entire immoveable and moveable fixed assets and current assets of Videocon d2h, present and future on <i>pari passu</i> basis; Assignment of all contracts, all government authorizations, licenses and insurance policies of Videocon d2h in favour of all the lenders; Charge in favour of all term lenders on the escrow account of Videocon d2h;

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Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
	Sanction letter dated March 5, 2013 for a term loan facilities of Rs.2,000 million (“ Term Loan II ”)	2,000.00	Term Loan II: 24 unequal quarterly installments commencing on April 1, 2015, after a moratorium of 27 months from the date of first disbursement.	Charge in favor of all term lenders on the DSRA equivalent to one quarter of debt servicing with a proviso that in case of shortfall in DSRA, the same will be topped up by VIL. The term loan is additionally secured by personal guarantees issued by Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot, Term Loan I: Corporate guarantee issued by VIL; Term Loan II: Corporate guarantees issued by Greenfield, Solitaire and Platinum.
Canara Bank	Sanction letter dated March 7, 2013 for a rupee term loan facility of Rs.1,750 million	1,700.00	24 structured quarterly installments, commencing after 24 months from the date of first disbursement	First charge ranking <i>pari passu</i> on all movable and immovable assets of Videocon d2h (both present and future). Charge in favor of all term lenders on the DSRA equivalent to one quarter of debt servicing. Charge in favour of all term lenders on the escrow account of Videocon d2h. Assignment of the rights of Videocon d2h under the DTH License; Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot; and corporate guarantees of Solitaire, Greenfield and Platinum.

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<u>Lender</u>	<u>Description</u>	<u>Amount outstanding as of September 30, 2014 (Rs. million)</u>	<u>Repayment/Tenor</u>	<u>Security</u>
Bank of India	Sanction letter dated March 16, 2013 and term loan facility agreement dated March 21, 2013, for term loan facilities of Rs.1,500 million	1,500.00	24 quarterly ballooning installments starting after a moratorium period of two years and three months from the date of first disbursement.	First charge ranking <i>pari passu</i> on all movable and immovable assets of Videocon d2h (both present and future). Charge in favor of all term lenders on the DSRA equivalent to one quarter of debt servicing. Charge in favour of all term lenders on the escrow and debt service reserve accounts of Videocon d2h. Assignment of the rights of Videocon d2h under the DTH License; Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot; and corporate guarantees of Solitaire, Greenfield and Platinum.

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<u>Lender</u>	<u>Description</u>	<u>Amount outstanding as of September 30, 2014 (Rs. million)</u>	<u>Repayment/Tenor</u>	<u>Security</u>
Union Bank	Sanction letter dated April 3, 2013 and term loan agreement dated April 5, 2013 for term loan facilities of Rs.1,500 million	1,500.00	24 unequal quarterly installments commencing after 27 months from the date of first disbursement	First charge ranking <i>pari passu</i> on all movable and immovable assets of Videocon d2h (both present and future). Charge in favor of all term lenders on the DSRA equivalent to one quarter of debt servicing. Assignment of the rights of Videocon d2h under the DTH License; Charge in favour of all term lenders on the escrow and debt service reserve accounts of Videocon d2h. Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot; and corporate guarantees of Solitaire, Greenfield and Platinum.

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<u>Lender</u>	<u>Description</u>	<u>Amount outstanding as of September 30, 2014 (Rs. million)</u>	<u>Repayment/Tenor</u>	<u>Security</u>
United Bank of India	Sanction letter dated May 11, 2013 and term loan agreement dated May 14, 2013 for term loan facility of Rs.1,500 million	1,500.00	24 unequal quarterly installments commencing after 27 months from the date of first disbursement	First charge ranking <i>pari passu</i> on all movable and immovable assets of Videocon d2h (both present and future). Charge in favor of all term lenders on the DSRA equivalent to one quarter of debt servicing. Assignment of the rights of Videocon d2h under the DTH License; Charge in favour of all term lenders on the escrow account of Videocon d2h. Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot; and corporate guarantees of Solitaire, Greenfield and Platinum.

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Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
Bank of Maharashtra	Sanction letter dated May 11, 2013 and agreement for term loan dated May 13, 2012 for term loan facility of Rs.1,000 million	1,000.00	24 unequal quarterly installments commencing after 27 months from the date of first disbursement	<p>First charge ranking <i>pari passu</i> on all movable and immovable assets of Videocon d2h (both present and future).</p> <p>Charge in favor of all term lenders on the DSRA equivalent to one quarter of debt servicing.</p> <p>Assignment of the rights of Videocon d2h under the DTH License;</p> <p>Charge in favour of all term lenders on the escrow account of Videocon d2h.</p> <p>Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Pradipkumar Nandlal Dhoot; and corporate guarantees of Solitaire, Greenfield and Platinum.</p>
ICICI Bank Limited (arranger), IDBI Trusteeship Services Limited (security trustee), Canara Bank, Karur Vysya Bank, Dena Bank, Jammu and Kashmir Bank, Syndicate Bank, Oriental Bank of Commerce and Bank of India	Syndicate term loan facility agreement dated December 20, 2010 for a term loan of Rs.10,000 million entered between ICICI Bank Limited (arranger), IDBI Trusteeship Services Limited (agent), Canara Bank, Karur Vysya Bank, Dena Bank, Jammu and Kashmir Bank and Syndicate Bank. This includes:	9475.00	78 months after the first utilization date under the facility agreement	<p>Charge over the entire movable assets of Videocon d2h (except any intellectual property), including all rights, title and interest of Videocon d2h, both present and future;</p> <p>Charge on the entire immovable assets of Videocon d2h including all rights, title and interest, both present and future;</p>

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Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
	<ul style="list-style-type: none"> • Rs.3,000 million from ICICI Bank; 			Charge over the escrow account maintained by Videocon d2h under the facility agreement for the purposes of depositing all monies received from the subscribers of Videocon d2h;
	<ul style="list-style-type: none"> • Rs.2,000 million from Canara Bank*; • Rs.1,000 million from Dena Bank**; • Rs.500 million from Karur Vysya Bank^; • Rs.1,000 million from Syndicate Bank^^; • Rs.1,000 million from Jammu and Kashmir Bank*** • Rs.1,000 million from Oriental Bank of Commerce^^^ • Rs.500 million from Bank of India**** 			

* pursuant to deed of accession dated September 9, 2011 and sanction letter dated August 17, 2011

^ pursuant to deed of accession dated August 18, 2011 and sanction letter dated May 24, 2011

** pursuant to deed of accession dated February 8, 2012 and sanction letter dated January 31, 2012

^^ pursuant to deed of accession dated December 2, 2011 and sanction letter dated October 28, 2011

***pursuant to deed of accession dated November 29, 2011 and sanction letter dated November 3, 2011

^^^ pursuant to deed of accession dated June 14, 2012 and sanction letter dated May 30, 2012

****pursuant to deed of accession dated July 16, 2012 and sanction letters dated July 11, 2012 and March 16, 2013

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Lender	Description	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Security
Yes Bank Limited	Sanction letter dated June 28, 2014 and deed of hypothecation dated June 28, 2014, for a term loan of Rs.2,750 million and line of credit facility of Rs.250 million (including sub-limits of letter of credit — sight, letter of undertaking and cash credit)	2750.00	Repayable in nine increasing instalments starting from June 30, 2015	Subservient charge on all moveable assets including moveable fixed assets of Videocon d2h; Personal guarantees of Mr. Venugopal Nandlal Dhoot and Mr. Saurabh Pradipkumar Dhoot; Pledge over 1.25 million equity shares of VIL; Pledge of shareholding in Videocon d2h worth Rs.500.00 million; Exclusive charge over immovable property situated at Malad, Mumbai.

Videocon d2h's secured financing arrangements contain various restrictive covenants which require Videocon d2h to obtain the prior written consent of its lender(s) for undertaking, among others, the following activities:

- effecting any change in the capital structure;
- formulating any scheme of amalgamation or reconstruction;
- undertaking any new project or expansion, unless the expenditure of such expansion is covered by Videocon d2h's net cash accrual after providing for dividend, investment or from long term funds received from financing such new projects or expansion;
- making any investments by way of deposits, loans or in share capital of any other concerns (including any subsidiaries) except investments in the usual course of business or advances to employees;
- entering into borrowing arrangements, either secured or unsecured with any other banks, financial institutions or companies or otherwise;
- undertaking guarantee obligations on behalf of any other company and declaring dividends for any year except out of profits relating to that year and with the specific approval of the lender(s);
- issuing any debentures, raising any loans, accepting deposits from the public, issuing equity or preference capital or creating any charge on its assets or giving any guarantee;
- creating any subsidiary or permitting any company to become its subsidiary;
- selling, granting, leasing, transferring, or otherwise disposing of its assets except for such transfers, sales made in the ordinary course of business or permitted disposals which have a cumulative value per financial year not exceeding Rs.500 million;
- changing our financial year;
- making any investment or acquisition in excess of Rs.1,000 million in any financial year;
- amend the Memorandum of Association and Articles of Association of Videocon d2h; and

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- effecting any change in the composition of its board of directors or its management, or the appointment/re-appointment or removal of its managing director or another person holding substantial management powers.

Further, under the terms of certain of Videocon d2h's secured financing arrangements, it is comply with the following financial covenants:

- maintain a total debt to promoter contribution ratio of 2.00; and
- maintain a fixed assets coverage ratio of 1.00.

Post September 30, 2014, Videocon d2h has incurred additional secured borrowings of Rs.5000 million and as of February 28, 2015, Videocon d2h has an aggregate outstanding secured indebtedness of Rs.32019.35 million from banks and financial institutions.

B. Details of Unsecured Borrowings of Videocon d2h

Set forth below is a summary of our unsecured borrowings as of September 30, 2014.

No.	Name of Lender	Description of Documentation	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Significant Covenants
1.	IDBI Bank Limited	Working capital facility of Rs.1,000 million pursuant to sanction letters dated April 30, 2011, July 12, 2011, and March 20, 2014 and a working capital facility agreement dated July 27, 2011	996.18	Valid until March 2015	During the currency of the IDBI working capital facility, Videocon d2hs shall not without the prior permission in writing of IDBI: <ul style="list-style-type: none">• Effect any change in Videocon d2h's capital structure;• Formulate any scheme of amalgamation or reconstruction;• Implement any scheme of expansion or diversification or modernization other than incurring routine capital expenditure;

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No.	Name of Lender	Description of Documentation	Amount outstanding as of September 30, 2014 (Rs. million)	Repayment/Tenor	Significant Covenants
					<ul style="list-style-type: none"> • Make any corporate investment or investment by way of share capital or debenture or lend or advance funds to or place deposit with any other concern, except give normal trade credit, place on security deposits in the normal course of business or make advances to employees, provided that Videocon d2h may make such investments by way of deposit or advance that are required statutorily under the existing laws, rules or regulations issued from time to time; • Undertake guarantee obligations on behalf of any third party or any other company.
		Line of credit of Rs.500 million pursuant to sanction letter dated March 20, 2014	230.57	Valid for a period up to 90 days	In the event payment against the discounted bills is delayed for a period of 30 days from the due date of payment, IDBI Bank at its discretion has the right to suspend the line of credit.

Additionally, Videocon d2h has also availed an unsecured loan from VIL at an annual interest rate of the prevailing prime lending rate of the State Bank of India less 2%. The outstanding amount against such unsecured loan was Rs.2,250.00 million, as on September 30, 2014.

MANAGEMENT AFTER THE TRANSACTION**Directors and Executive Officers of Videocon d2h**

The following table sets forth information regarding the directors and executive officers of Videocon d2h upon completion of the Transaction.

<u>Name</u>	<u>Age</u>	<u>Position/Title</u>
Directors:		
Saurabh Pradipkumar Dhoot	30	Executive Director
Shivratan Jeetmal Taparia	69	Independent Director
Pradeep Ramwilas Rathi	61	Independent Director
Nabankur Gupta	65	Independent Director
Karunchandra Srivastava	71	Independent Director
Harry E. Sloan	64	Independent Director
Jeff Sagansky	62	Independent Director
Executive Officers⁽¹⁾:		
Anil Khera	54	Chief Executive Officer
Rohit Jain	39	Deputy Chief Executive Officer
Himanshu Patil	49	Chief Operating Officer
Avanti Kumar Kanthaliya	43	Chief Financial Officer
Siddharth Kabra	36	Vice President – Sales

Notes: (1) Other than directors who are also executive officers.

Unless otherwise indicated, the business address of each director and executive officer is 1st Floor, Techweb Centre, New Link Road, Oshiwara Jogeshwari (West), Mumbai 400 102, Maharashtra, India.

A description of the business experience and present position of each director and executive officer is provided below:

Directors

Saurabh Pradipkumar Dhoot, 30, is an Executive Director of Videocon d2h. He has served on the board of directors of Videocon d2h since January 31, 2007 and was appointed as an Executive Director on October 5, 2012 for a term of five years. Mr. Dhoot is also a director of two major shareholders of Videocon d2h, Synergy Appliances Private Limited and Solitaire Appliances Private Limited. He has more than seven years of experience in the field of mergers and acquisitions, finance, investor relations and corporate communications. Mr. Dhoot holds a bachelor's degree in engineering from the Imperial College in the United Kingdom.

Shivratan Jeetmal Taparia, 69, is an Independent Director of Videocon d2h and has served on the board of directors of Videocon d2h since October 11, 2012. He has more than 37 years of experience in the field of project management, production, finance, marketing and planning. Mr. Taparia also sits on the board of directors of The Supreme Industries Limited, one of the suppliers of some accessories for multi-dwelling units to Videocon d2h. Transaction amounts between Videocon d2h and the Supreme Industries Limited were Rs.2.62 million, Rs.0.50 million for fiscal years 2013 and 2014 respectively, and Rs.0.52 million for the interim period ended September 30, 2014. Mr. Taparia holds a bachelor's degree in mechanical engineering from the University of Poona, India.

Pradeep Ramwilas Rathi, 61, is an Independent Director of Videocon d2h and has served on the board of directors of Videocon d2h since October 11, 2012. He has more than 34 years of experience in the field of finance and business. Mr. Rathi is the Managing Director of Sudarshan Chemical Industries Limited. He holds a master's degree in chemical engineering from Massachusetts Institute of Technology and an MBA from Columbia University.

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Nabankur Gupta, 66, is an Independent Director of Videocon d2h and has served on the board of directors of Videocon d2h since October 11, 2012. He has over three decades of experience in project management, marketing, sales, general management and business strategy. He was the first Indian to receive recognition by the Advertising Age International, New York, in 1995, with the title of “Marketing Superstar”. Currently, he is the Co-founder and Chairman of Blue Ocean Capital and Advisory Services Private Limited and the founder Chief Executive Officer of Nobby Brand Architects & Strategic Marketing Consultants. Mr. Gupta holds a bachelor’s degree in electrical and electronics engineering from Indian Institute of Technology, Delhi, India.

Karunchandra Srivastava, 70, is an Independent Director of Videocon d2h and has served on the board of directors of Videocon d2h since October 18, 2012. He is a senior retired civil servant of the Indian Administrative Services and has 38 years of experience in the field of governance and administration. Mr. Srivastava has held important positions with the Government of Maharashtra and the Government of India, including the Municipal Commissioner, Municipal Corporation of Greater Mumbai; Chairman, Second Maharashtra Finance Commission, Government of Maharashtra, Administrative Staff College Campus, Mumbai; Additional Chief Secretary (Home Department), Government of Maharashtra, Mantralaya, Mumbai; Metropolitan Commissioner, Mumbai Metropolitan Regional Development Authority, Mumbai; and Joint Development Commissioner, Small Scale Industries, Ministry of Industries, Government of India. Mr. Srivastava holds a bachelor’s and a master’s degree in arts from the University of Lucknow, India and a diploma in system management and development administration.

Harry E. Sloan, 64, has served as Silver Eagle’s Chairman and Chief Executive Officer since April 11, 2013 and will join Videocon d2h’s board of directors upon the closing of the Transaction. Mr. Sloan served as chairman and chief executive officer from February 2011 to January 2013 of Global Eagle Acquisition Corp., a blank check company which completed its business combination in which it purchased Row 44, Inc., or Row 44, and 86% of the shares of Advanced Inflight Alliance AG, or AIA, in January 2013, and he remains a director of the combined company, Global Eagle Entertainment Inc. (“GEE”). From October 2005 to August 2009, Mr. Sloan served as Chairman and Chief Executive Officer of Metro-Goldwyn-Mayer, Inc., or MGM, a motion picture, television, home entertainment, and theatrical production and distribution company, and thereafter continued as non-executive chairman until December 2010. He was appointed by a consortium comprised of private equity investors, Comcast Corporation and Sony Corporation of America one year after they agreed to acquire MGM through a leveraged buyout in September 2004. MGM filed for protection under Chapter 11 of the United States Bankruptcy Code in November 2010 pursuant to a pre-packaged plan of reorganization, which was confirmed by a federal bankruptcy court in December 2010. From 1990 to 2001, Mr. Sloan was Founder, Chairman and Chief Executive Officer of SBS Broadcasting, S.A., or SBS, a European broadcasting group, operating commercial television, premium pay channels, radio stations and related print businesses in Western and Central and Eastern Europe, which he founded in 1990 and continued as Executive Chairman until 2005. In 1999, SBS became the largest shareholder of Lions Gate Entertainment Corp., or Lions Gate, an independent motion picture and television production company. Mr. Sloan served as chairman of the board of Lions Gate from April 2004 to March 2005. From 1983 to 1989, Mr. Sloan was Co-Chairman of New World Entertainment Ltd., an independent motion picture and television production company. From January 2011 until December 2014, Mr. Sloan served on the board of Promotora de Informaciones, S.A., or PRISA, Spain’s largest media conglomerate which owns El Pais, the leading newspaper in the Spanish-speaking world, as well as pay television, radio and digital properties. He has served on the board of ZeniMax Media Inc., an independent producer of interactive gaming and web content, since 1999. Mr. Sloan was appointed by President Ronald Reagan in 1987 to the President’s Advisory Council on Trade and Policy Negotiations (ACTPN). He currently serves on the UCLA Anderson School of Management Board of Visitors and the Executive Board of UCLA Theatre, Film and Television. Mr. Sloan’s designation as chairman of the board of directors of Silver Eagle was based upon his extensive background and experience as an executive in the media and entertainment industries and his substantial experience in identifying and acquiring a wide variety of businesses. He received his Juris Doctor from Loyola Law School in 1976 and his Bachelor of Arts degree from the University of California, Los Angeles in 1971.

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Jeff Sagansky, 62, has served as Silver Eagle's President since April 11, 2013 and will join Videocon d2h's board of directors upon the closing of the Transaction. Mr. Sagansky served as president from February 2011 to January 2013 of Global Eagle Acquisition Corp., and he is a director of GEE. Mr. Sagansky has served as Chairman of Hemisphere Film Capital, a private motion picture and television finance company, since 2008. From February 2009 to April 2011, he served as non-executive Chairman of RHI Entertainment, Inc., which develops, produces and distributes original made-for-television movies and miniseries. From January 2007 through December 2011, he served as Chairman of Elm Tree Partners, a private casino development company, and from September 2007 to February 2009, he served as Co-Chairman of Peace Arch Entertainment Group, Inc., or Peace Arch, a Canadian production and sales company. He also served as interim chief executive officer of Peace Arch from November 2007 to July 2008. From December 2002 to August 2003, he was Vice Chairman of Paxson Communications Corporation, a television network and stations group. From 1998 to 2002, Mr. Sagansky served as Chief Executive Officer of Paxson Communications Corporation. Prior to joining Paxson Communications Corporation, Mr. Sagansky was Co-President of Sony Pictures Entertainment, or SPE, a motion picture, television, and home entertainment production and distribution company which is a subsidiary of Sony Corporation of America, or SCA, from 1996 to 1998 where he was responsible for SPE's strategic planning and worldwide television operations. Prior to his position with SPE, Mr. Sagansky served as executive vice president of SCA, which he joined in 1994. Prior to joining SCA, Mr. Sagansky was President of CBS Entertainment, a television network, from 1990 to 1994. Mr. Sagansky previously served as president of production and then president of TriStar Pictures, a motion picture and television production and distribution company, from 1985 to 1989. He is currently a director of Starz and Scripps Networks Interactive, Inc., two publicly traded media companies. Mr. Sagansky earned a Bachelor of Arts degree from Harvard College and a Masters in Business degree from Harvard Business School.

Executive Officers

Anil Khera, 54, is the Chief Executive Officer of Videocon d2h. He started his career with the Videocon Group in 1985 and joined Videocon d2h as the Chief Executive Officer on July 1, 2008. Mr. Khera is currently responsible for the overall supervision of the operations of Videocon d2h. He holds a bachelor's degree in commerce and master's degree in business administration (marketing) from the University of Mumbai, India.

Rohit Jain, 39, is the Deputy Chief Executive Officer of Videocon d2h. Mr. Jain is a qualified chartered accountant certified by the Institute of Chartered Accountants of India. He has 20 years of experience in the field of consulting, finance and business management and has worked at Price Waterhouse Coopers and Hewitt Associate (India) Private Limited. Mr. Jain joined Videocon d2h on June 1, 2010, and his present role is to conceptualize and implement the overall business and financial strategy of Videocon d2h. Mr. Jain is also responsible for the supervision of Videocon d2h's human resources and other corporate functions. He holds a bachelor's degree in Commerce from Delhi University.

Himanshu Patil, 49, is the Chief Operating Officer of Videocon d2h. He has over 26 years of experience in the field of marketing, operations and technology and has been associated with organizations such as Onida, Adina Electronics and Videocon Industries Limited in the past. Mr. Patil joined Videocon d2h on February 1, 2009 from Videocon Industries Limited, and his present role is to conceptualize and implement the overall operational and technology strategy of Videocon d2h. Mr. Patil holds a master's degree in management studies from the University of Bombay.

Avanti Kumar Kanthaliya, 43, is the Chief Financial Officer of Videocon d2h. He is also a qualified cost and works accountant from the Institute of Cost and Works Accountants of India. Mr. Kanthaliya has also completed a four-month full-time residential management education programme at the Indian Institute of Management, Ahmedabad. He has over 20 years of experience in the field of finance and accounts management. Mr. Kanthaliya has been with the Videocon Group since 1996 and joined Videocon d2h on July 1, 2008. He currently heads the finance department of Videocon d2h and is responsible for developing and deploying Videocon d2h's corporate financial policy in line with its strategy. Mr. Kanthaliya holds bachelor's and master's degrees in commerce from the Mohanlal Sukhadia University, India.

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Siddharth Kabra, 36, is the Vice President — Sales of Videocon d2h. Mr. Kabra has over 14 years of experience in Sales and Marketing. He has been employed by the Videocon Group since 2000 (at Videocon Industries Limited and Techno Kart India Limited (formerly Next Retail India Limited), and he joined Videocon d2h on July 3, 2009 and currently supervises the sales department. Mr. Kabra's role entails establishing the sales operations strategy of Videocon d2h. He holds a master's degree in business administration from the Cardiff Business School, University of Wales, Wales.

Committees of the Board of Directors

Videocon d2h has established four committees under the board of directors: an audit committee; a stakeholder relationship committee; a nomination, remuneration and compensation committee; and a corporate social responsibility committee. Each committee's members and functions are described below.

Audit Committee

Upon the closing of the Transaction, the Audit Committee of Videocon d2h will consist of Karunchandra Srivastava (Chairman), Shivratan Jeetmal Taparia, Pradeep Ramwilas Rathi and Jeff Sagansky. Each of the committee members satisfies the independence requirements of Rule 5605 of the Nasdaq Stock Market, Marketplace Rules and Rule 10A-3 of the Exchange Act. Videocon d2h's board of directors has also determined that Karunchandra Srivastava qualifies as an audit committee financial expert within the meaning of the SEC rules. Videocon d2h's audit committee oversees its accounting and financial reporting processes and the audits of the financial statements of Videocon d2h. The audit committee is responsible for overseeing, among other things:

- the company's accounting and financial reporting processes and the integrity of its financial statements;
- the audits of the company's financial statements and the appointment, compensation, qualifications, independence and performance of the company's independent auditors;
- the company's compliance with legal and regulatory requirements; and
- the performance of the company's internal audit function, internal accounting controls, disclosure controls and procedures and internal control over financial reporting.

Stakeholder Relationship Committee

The Stakeholder Relationship Committee of Videocon d2h consists of Nabankur Gupta (Chairman); Karunchandra Srivastava; and Pradeep Ramwilas Rathi. The scope and functions of the Stakeholder Relationship Committee include, among other things, redressal of shareholders' and investors' complaints, including issues relating to:

- not receiving declared dividends or financial statements as required under applicable law;
- allotment of equity shares, approval of transfer or transmission of equity shares, debentures or any other securities; and
- duplicate share certificates and new share certificates on split/consolidation/renewal of equity shares.

Nomination, Remuneration and Compensation Committee

The Nomination, Remuneration and Compensation Committee of Videocon d2h consists of Karunchandra Srivastava (Chairman), Nabankur Gupta, and Pradeep Ramwilas Rathi who satisfy the independence requirements of Rule 5605 of the Nasdaq Stock Market, Marketplace Rules. Videocon d2h's Nomination, Remuneration and Compensation committee assists the board of directors in reviewing and approving the compensation structure of the directors and executive officers, including all forms of compensation to be provided to its directors and executive officers. Members of the Nomination, Remuneration and Compensation committee are not prohibited from direct involvement in determining their own compensation. The chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The Nomination, Remuneration and Compensation committee is responsible for, among other things:

- formulation of the criteria for determining qualifications, characteristics and independence of a director and recommending to the board of directors a policy relating to the remuneration of the directors, executive officers and other employees;
- formulation of criteria for evaluation of independent directors and the board of directors;
- devising a policy on board diversity;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the selection criteria, and recommending to the board their appointment and removal;
- consideration and recommendation of grant of employee stock options, if any, and administration and superintendence of the same;
- determining/formulating the terms and conditions of the employee stock option scheme, including the number of options to be granted per employee, the exercise period, vesting period, procedure for making adjustments to the number of options in case of corporate actions, procedure for cashless exercise of options, and conditions for expiration or lapse of options; and
- framing of suitable policies and systems to ensure that there is no violation by any employee of applicable laws.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of Videocon d2h consists of: Saurabh Pradipkumar Dhoot (Chairman), Nabankur Gupta, and Karunchandra Srivastava.

The Corporate Social Responsibility Committee is responsible for, among other things, the following:

- formulating and recommending to the board a corporate social responsibility policy setting forth the activities to be undertaken by Videocon d2h in accordance with applicable laws;
- recommending the amount of expenditures to be incurred in connection with such activities; and
- monitoring the corporate social responsibility policy of Videocon d2h.

Code of Business Conduct and Ethics

The Code of Business Conduct and Ethics provides that Videocon d2h's directors and officers are expected to avoid any action, position or interest that conflicts with the interests of Videocon d2h or gives the appearance of a conflict. Directors and officers have an obligation under the Code of Business Conduct and Ethics to advance Videocon d2h's interests when the opportunity to do so arises.

Indemnification Agreements

Videocon d2h entered into indemnification agreements with each of its directors to indemnify them against certain liabilities and expenses arising from their being a director.

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Employment Agreements with Executive Officers

Videocon d2h entered into employment agreements with each of Saurabh Pradipkumar Dhoot, Anil Khera, Rohit Jain and Avanti Kumar Kanthaliya. Each such agreement is effective from [•] to [•] and sets out the compensation to be paid to such persons.

Compensation of Directors and Executive Officers

For the period from April 1, 2013 to March 31, 2014, the aggregate amount of cash compensation paid to the Directors and Executive Officers of Videocon d2h was Rs.6.87 million, comprised of sitting fees for directors of Rs.0.45 million and salary for executive officers of Rs.36.42 million. For the fiscal year 2014, Anil Khera received as salary Rs. 10.11 million, Rohit Jain, Rs. 9.03 million and Himanshu Patil, Rs. 7.42 million, respectively.

Share Incentive Plans

Employees Stock Option Plan 2014

Videocon d2h, pursuant to resolutions passed by its board of directors and shareholders on June 23, 2014 and July 17, 2014, respectively, subject to the approval of the MIB, has adopted an employees' stock option plan, called the Videocon d2h Employees Stock Option Scheme 2014 ("ESOP 2014"), effective from August 1, 2014.

Administration

The ESOP 2014 will be administered by the Nomination, Remuneration and Compensation Committee of Videocon d2h's board and will be implemented by its Employees Welfare Trust.

Number of Shares Authorized for Grant

Under the ESOP 2014, a maximum of 4,000,000 options may be granted to eligible employees. A single eligible employee cannot be granted options in excess of 1.00% of the issued capital of Videocon d2h. Each option granted pursuant to the ESOP 2014 entitles the grantee to apply for one equity share.

Eligibility

Eligible employees include permanent employees and executive directors, other than (i) any employee who is a Promoter of Videocon d2h or belongs to the Promoter Group (as defined in the ESOP 2014); (ii) a director, who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of Videocon d2h; and (iii) an Independent Director of Videocon d2h.

Vesting Schedule

Level	Roles	Vesting Period				
		18 months	24 months	30 months	36 months	48 months
CEO	Top Management	20%	10%	30%	25%	15%
M5	Top Management	30%	25%	25%	20%	
M3/M4	Head of Departments	40%	30%	30%		
M2	Circle/Sales Heads	50%	50%			
M1	Junior Management	100%				
F	Officer Cadre	100%				

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Pricing Formula

The exercise price will be provided to the employees at the time of grants of options to them and shall be the lower of Rs.50 or a price equivalent to 50% of the issue price determined pursuant to an initial public offering in India, if any.

To date, no options have been granted to any employees pursuant to the ESOP 2014.

Additionally, Videocon d2h shall adopt a stock option plan, in accordance with applicable law, granting Mr. Saurabh Dhoot stock options at closing which shall be exercisable, subject to the achievement of certain ADS price targets for a specified period following the closing, to receive 2,800,000 equity shares of Videocon d2h, equivalent to 700,000 Videocon d2h ADSs.

Employee Benefit Plans

Short term benefits

All employee benefits payable within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognized in the Income Statement in the period in which the employee renders the related service. The amount recognized in the income statement for the fiscal year ended March 31, 2014 was Rs.864.28 million for all employees including the directors and executive officers.

Long term benefits

Provident Fund

In accordance with Indian law, all of Videocon d2h's employees in India are entitled to receive benefits under the Employees' Provident Fund Scheme, 1952, as amended, a retirement benefit scheme under which an equal amount of 12% of basic salary of an employee is contributed both by the employer and the employee in a fund with government/trust with the company. Videocon d2h makes a monthly deposit to a government fund and has contributed an aggregate of Rs.33.67 million for all employees (including management) in the fiscal year ended March 31, 2014.

Gratuity

In accordance with Indian law, Videocon d2h pays gratuity to its eligible employees in India. Under the gratuity plan, an employee is entitled to receive a gratuity payment on the termination of his or her employment if the employee has rendered continuous service to Videocon d2h for not less than five years, or if the termination of employment is due to death or disability. The present value of obligation under gratuity is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. For the fiscal year ended March 31, 2014, a provision of Rs.31.67 million was made for all employees (including management).

**COMPARISON OF YOUR RIGHTS AS A HOLDER OF SILVER EAGLE
COMMON STOCK AND YOUR RIGHTS AS A POTENTIAL HOLDER OF
VIDEOCON D2H EQUITY SHARES OR VIDEOCON D2H ADSs**

Videocon d2h is a company organized under the laws of India and is governed by Indian law, including the Indian Companies Act. As Videocon d2h is an Indian company, the rights of holders of Videocon d2h's equity shares will be governed directly, and the rights of the holders of Videocon d2h's ADSs, which will represent Videocon d2h's equity shares will be governed indirectly, by Indian law and by Videocon d2h's Memorandum and Articles of Association. See "*Description of Videocon d2h Share Capital*." The rights of holders of Videocon d2h ADSs will be governed by New York law and the deposit agreement under which the Videocon d2h ADSs are issued and, accordingly, the rights of Videocon d2h ADSs differ in certain respects from those of holders of Videocon d2h's equity shares. See "*Description of the American Depositary Shares*" for a discussion of the deposit agreement and the rights of holders of Videocon d2h ADSs." Silver Eagle is a Delaware corporation and is governed by the DGCL. The rights of Silver Eagle stockholders are governed by Delaware law, including the DGCL, and by Silver Eagle's amended and restated certificate of incorporation and amended and restated bylaws. Further, it is expected that to the extent the Sponsor receives any bonus shares, such shares are expected to be deposited by the Sponsor into restricted ADSs. The rights of shareholders under Indian law and the rights of stockholders under Delaware law differ in certain respects. See "*Description of Videocon d2h Share Capital*" and "*Description of the American Depositary Shares*" for more information about Videocon d2h equity shares and Videocon d2h's ADSs, respectively.

The following discussion of the material differences between the rights of holders of the Videocon d2h equity shares and holders of Silver Eagle common stock is only a summary and does not purport to be a complete description of these differences. The following discussion is qualified in its entirety by reference to Indian Law, including the Indian Companies Act and Delaware law, including the DGCL, as well as Videocon d2h's Memorandum and Articles of Association and Silver Eagle's amended and restated certificate of incorporation and amended and restated bylaws, currently in effect. For information on how you can obtain copies of these documents, see "*Where You Can Find More Information*."

Silver Eagle	Videocon d2h
CORPORATE GOVERNANCE	
Silver Eagle's amended and restated certificate of incorporation, its amended and restated bylaws and Delaware law, including the DGCL, govern the rights of holders of Silver Eagle common stock.	Videocon d2h's Memorandum of Association and Articles of Association, and applicable provisions of Indian law, including the Indian Companies Act, govern the rights of shareholders of Videocon d2h.
AUTHORIZED CAPITAL STOCK	
Silver Eagle's authorized capital stock currently consists of 400,000,000 shares of common stock, par value \$0.0001 per share, and 1,000,000 shares of preferred stock, par value \$0.0001 per share. As of the record date, there were 40,625,000 shares of common stock issued and outstanding and no shares of preferred stock issued and outstanding.	Videocon d2h's current authorized share capital is Rs.5,000 million, divided into 500 million equity shares of face value Rs.10 per equity share. As of September 30, 2014, Videocon d2h's issued share capital was Rs.2,420 million, divided into 242 million equity shares of face value Rs.10 per equity share.

VOTING RIGHTS. ACTION BY WRITTEN CONSENT. QUORUM

Voting Rights. Pursuant to the DGCL and Silver Eagle's amended and restated certificate of incorporation, holders of common stock are entitled to one vote per share on all matters to be voted on by stockholders.

Voting Rights: In accordance with the Indian Companies Act and Videocon d2h's Articles of Association, at a general meeting, upon a show of hands, every member holding shares and entitled to vote and present in person has one vote. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to Videocon d2h's total paid up capital.

Under the deposit agreement, in the event that voting is conducted on a show of hands basis, the depository will refrain from voting and accordingly Videocon d2h ADSs may not be voted at the meeting, and any voting instructions provided by Videocon d2h ADS holders may lapse.

Action by Written Consent. Unless the certificate of incorporation of a Delaware corporation otherwise provides, the DGCL permits the stockholders of a Delaware corporation to act by written consent in lieu of an annual or special meeting of stockholders, provided that the holders of the outstanding stock having not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all shares entitled to vote thereon were present in person and voted. Silver Eagle's amended and restated certificate of incorporation prohibits its stockholders from acting by written consent in lieu of a meeting of stockholders from and after the consummation of its initial public offering.

There is no concept of shareholder action without a meeting under Indian law.

Quorum. The DGCL and Silver Eagle's amended and restated bylaws require that a quorum of stockholders be present in person or by proxy for the purpose of transacting business at any meeting of Silver Eagle's stockholders. Silver Eagle's amended and restated bylaws further provide that the holders of a majority of Silver Eagle's capital stock issued and outstanding and entitled to vote must be present in person or by proxy to constitute a quorum. Accordingly, the holders of at least a majority of Silver Eagle's common stock issued and outstanding must be present in person or by proxy for the transaction of business at any meeting of Silver Eagle's stockholders.

Quorum: In accordance with the Indian Companies Act and Videocon d2h's Articles of Association, five shareholders present in person will constitute a quorum for a general meeting. A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of Association of Videocon d2h. The instrument appointing a proxy is required to be lodged with Videocon d2h at least 48 hours before the time of the meeting or in the case of a poll, at least 24 hours before the time appointed for the taking of the poll. A proxy may not vote except on a poll and does not have a right to speak at meetings.

AMENDMENT TO THE CERTIFICATE OF INCORPORATION

Generally, under the DGCL, an amendment or restatement of Silver Eagle's certificate of incorporation requires (i) the board of directors to adopt a resolution setting forth the proposed amendment or amendment and restatement and declaring its advisability and (ii) the holders of at least a majority of Silver Eagle's common stock outstanding and entitled to vote thereon to adopt such amendment.

Silver Eagle's amended and restated certificate of incorporation further requires, prior to the consummation of a "business combination" as defined therein, the affirmative vote of at least 65% of the voting power of the then outstanding shares of Silver Eagle's common stock, to amend Article IX of the amended and restated certificate of incorporation, which relates to:

- the establishment and operation of and permitted disbursements from the trust account formed immediately after the closing of Silver Eagle's initial public offering on behalf of shareholders for the purpose of effecting a business combination.
- the right of Silver Eagle stockholders to exercise their option to cause Silver Eagle to redeem some or all of such holders' shares before a "business combination" as defined in Silver Eagle's restated certificate of incorporation is consummated, provided that on no account will such holder, together with his affiliate or group as defined by Section 13(d) of the Securities Act be permitted to redeem more than an aggregate of 10% of the outstanding common stock issued during Silver Eagle's initial public offering.

Under the Indian Companies Act, at the time of incorporation of a company, the relevant registrar of companies issues a certificate of incorporation in the name of such company. In the event of a change in name, or in the event the registered office of the company is shifted outside the jurisdiction of such registrar of companies, a new certificate of incorporation will be issued by the relevant registrar of companies. Both a change in the name of the company and a shift in the registered office to another state requires approval of the shareholders in a general meeting through a special resolution. At least 75% of the total votes cast must be in favor of the resolution.

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Silver Eagle	Videocon d2h
<ul style="list-style-type: none">the obligation of Silver Eagle to cease all operations other than winding up and to redeem Silver Eagle stockholders' shares if a business combination is not effected within 21 months of the date of the closing of Silver Eagle's initial public offering, or, if Silver Eagle has executed a letter of intent, agreement in principle or definitive agreement for an initial business combination prior to the date 21 months from the closing of its initial public offering, within 24 months after the closing of its initial public offering. The amended and restated certificate of incorporation additionally requires that if any amendment is made to this section that would affect the substance or timing of Silver Eagle's obligation to redeem stockholders' outstanding shares upon failure to timely consummate a business combination, Silver Eagle shall provide stockholders with the opportunity to redeem their shares upon the approval of any such amendment.the requirement that the business or businesses targeted for a business combination have a fair market value of at least 80% of the proceeds held in the trust account, established immediately after the closing of Silver Eagle's initial public offering.the requirement that Silver Eagle not enter into transactions with other blank check companies, and receive a fairness opinion from an independent investment banking firm that is a member of the Financial Industry Regulatory Authority before entering into a transaction with an affiliate.	

AMENDMENT TO THE BYLAWS

As permitted by the DGCL, Silver Eagle's amended and restated certificate of incorporation authorizes a majority of Silver Eagle's board to make, alter and repeal Silver Eagle's bylaws. Silver Eagle's stockholders also have the power to adopt, amend or repeal Silver Eagle's bylaws by a majority vote of all of the then outstanding shares of capital stock of Silver Eagle entitled to vote.

Under the Indian Companies Act, subject to certain specified amendments that require the additional approvals of the central government, a company may make amendments to its articles of association with the approval of its shareholders in the general meeting through a special resolution. At least 75% of the total votes cast must be in favor of the resolution.

RIGHT TO DIVIDENDS AND TRUST ACCOUNT DISTRIBUTIONS

Dividends. The DGCL permits a Delaware corporation, by action of its board of directors, subject to any restrictions contained in the corporation’s certificate of incorporation, to declare and pay dividends out of “surplus” or, if there is no “surplus,” out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. The DGCL defines “surplus” as the excess of the net assets of the corporation over the amount determined to be the capital of the corporation by the board of directors. The “capital” of the corporation is typically calculated to be (and cannot be less than) the aggregate par value of all issued shares of capital stock. “Net assets” means, under the DGCL, total assets minus total liabilities. The DGCL also provides that if the capital of a Delaware corporation shall have been diminished by depreciation in the value of its property, or by losses, or otherwise, to an amount less than the aggregate amount of capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets, the directors of such corporation shall not declare and pay out of net profits any dividends upon any shares of any classes of its capital stock until the deficiency in the amount of capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets shall have been repaired.

Silver Eagle’s amended and restated bylaws provide that dividends upon the capital stock of Silver Eagle may be declared by the board of directors from time to time, subject to the provisions of Silver Eagle’s amended and restated certificate of incorporation. Silver Eagle’s amended and restated certificate of incorporation contains no limitation on the declaration and payment of dividends. Silver Eagle’s amended and restated bylaws provide that dividends may be paid in cash, in property, or in shares of capital stock, subject to the provisions of the certificate of incorporation.

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the annual general meeting held each fiscal year. Subject to certain conditions prescribed under the Indian Companies Act, no dividend can be declared or paid by a company for any fiscal year except out of profits of the company for that year, calculated in accordance with the provisions of the Indian Companies Act or out of profits of the company for any previous fiscal year(s) as set forth in the Indian Companies Act. Further, in the absence of profits in any year, a company may declare dividends out of surplus, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which a dividend was declared by the company in the three years immediately preceding that year; (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid up share capital and free reserves as per the latest audited balance sheet; (c) the amount so drawn shall be first utilized to set off the losses incurred in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; (d) the balance of reserves after such withdrawal shall not fall below 15% of its paid up share capital as per the latest audited balance sheet of the company; and (e) no company shall declare a dividend unless carried over previous losses and depreciation not provided in previous years are set off against profit of the company of the current year.

Pursuant to the Articles of Association of Videocon d2h, the amount of dividends approved by Videocon d2h’s shareholders cannot exceed the amount recommended by Videocon d2h’s board of directors. In addition, Videocon d2h’s board of directors may pay interim dividends as appear to it to be justified by the profits of Videocon d2h, subject to the requirements of the Indian Companies Act.

Trust Account. Pursuant to Silver Eagle's amended and restated certificate of incorporation and the trust agreement between Silver Eagle and Continental Stock Transfer and Trust Company, the holders of shares of Silver Eagle's common stock are entitled to receive distributions from the trust account established in connection with Silver Eagle's IPO only in the event of a dissolution of Silver Eagle and a liquidation of the trust account in accordance with the terms of such trust agreement, or in the event such stockholder exercises its redemption rights through the procedures described in this proxy statement/prospectus. In no other circumstances will any stockholder have any right or interest of any kind in or to the trust account. Each of Silver Eagle's founders and permitted transferees has waived his right to receive liquidating distributions from the trust account with respect to his founders' shares, but is entitled to redemption rights with respect to any public shares owned.

REDEMPTION RIGHTS

Pursuant to Silver Eagle's amended and restated certificate of incorporation, no later than two days prior to the consummation of a proposed business combination, each holder of shares of Silver Eagle common stock who validly elects to exercise his stockholder's redemption rights will have the right, if such business combination is approved and consummated, to cause the redemption of some or all of such holder's shares of common stock in exchange for payment of a cash amount per share (calculated two business days prior to the proposed completion of such business combination) equal to the aggregate amount then on deposit in the trust account, including interest, less franchise fees and income taxes payable, divided by the number of then outstanding public shares, subject to the limitations described in the amended and restated certificate of incorporation. Payment of the amounts necessary to satisfy the redemption rights of the holders of all shares who have duly exercised such rights shall be made as promptly as practicable following the completion of the business combination. Each of Silver Eagle's founders and permitted transferees has waived his right to cause the redemption of his founders' shares.

A company may reduce its capital in accordance with the Indian Companies Act by way of a share buy-back out of its free reserves or securities premium account or the proceeds of any shares or other specified securities (other than the kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including, (i) the buy-back must be authorized by the company's articles of association; (ii) the buy-back is limited to 25% of the company's total paid up capital and free reserves; and (iii) the ratio of debt owed is not more than twice the paid-up capital and free reserves after such buy-back, provided, that no buy-back shall be made within 365 days from the date of any previous buy-back. If such buy-back constitutes more than 10% of the total paid-up equity capital and free reserves of the company, it must be authorized by a special resolution of the company at a general meeting. Videocon d2h's Articles of Association permit Videocon d2h to buy back its equity shares.

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Any equity shares which have been bought back by Videocon d2h must be cancelled within seven days. Further, Videocon d2h will not be permitted to buy back any securities for a period of one year or to issue new securities for six months except by way of a bonus issue or in discharge of Videocon d2h's existing obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity.

APPRAISAL RIGHTS

The DGCL provides that the stockholders of a Delaware corporation involved in a merger, other than the merger of a wholly owned subsidiary of the corporation with and into the corporation or a holding company merger pursuant to Section 251(g) of the DGCL, and other than a merger involving a corporation that is listed on a national securities exchange or held of record by more than 2,000 stockholders, whose stockholders receive in such merger (i) shares of the resulting or surviving corporation or depository receipts in respect thereof, (ii) shares of any other corporation or depository receipts in respect thereof, which shares or depository receipts are listed on a national securities exchange or held of record by more than 2,000 stockholders, (iii) cash in lieu of fractional shares or (iv) a combination of shares of stock, depository receipts and cash described in clauses (i) through (iii), have the right to seek a judicial determination of the fair value of their shares, taking into account all relevant factors, but exclusive of any element of value arising from the accomplishment or expectation of such merger, together with interest, if any, to be paid on the amount determined to be fair value. A stockholder seeking to exercise its rights to a judicial determination of the fair value of its shares in such a merger must follow the procedures set forth in Section 262 of the DGCL.

There is no concept of appraisal rights under Indian law.

PREEMPTIVE RIGHTS

Under the DGCL, "preemptive" rights to subscribe to an additional issue of capital stock or to any security convertible into such capital stock must be expressly granted by the certificate of incorporation to a stockholder. Silver Eagle's amended and restated certificate of incorporation does not expressly grant any of its stockholders "preemptive" rights.

Subject to the provisions of the Indian Companies Act, Videocon d2h may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting, may determine. According to Section 62(1)(a) of the Indian Companies Act, such new shares shall be offered to existing shareholders in proportion to the amount paid upon those shares at that date. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favor of any other person.

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Under the provisions of Section 62(1)(c) of the Indian Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to certain prescribed conditions and procedures, if a special resolution to that effect is passed by Videocon d2h's shareholders in a general meeting.

ATTENDANCE AND VOTING AT MEETINGS OF STOCKHOLDERS

Pursuant to Silver Eagle's amended and restated bylaws, every stockholder of record as of the applicable record date has the right to notice of and to vote, in person or by proxy, at any stockholders' meeting.

In accordance with the Indian Companies Act and the Articles of Association of Videocon d2h, every shareholder has the right to notice of and to vote, in person or by proxy, at any general meeting of shareholders.

SPECIAL MEETINGS OF STOCKHOLDERS

Silver Eagle's amended and restated certificate of incorporation provides that special meetings of Silver Eagle stockholders may be called only by:

- the chairman of the board;
- the chief executive officer; or
- a resolution adopted by a majority of the board

Stockholders do not have the right to call a special meeting.

Videocon d2h must convene its annual general meeting within six months of the end of each financial year and must ensure that the intervening period between two annual general meetings does not exceed 15 months. The Registrar of Companies may extend this period in special circumstances, but not exceeding three months, at the request of Videocon d2h. Extraordinary general meetings may be convened at any time by Videocon d2h's board of directors at their discretion or at the request of the shareholders holding in the aggregate not less than 10% of the paid-up capital of Videocon d2h.

STOCKHOLDER PROPOSALS AND NOMINATIONS

Stockholder Proposals. Silver Eagle’s amended and restated bylaws provide that business may be transacted at an annual meeting of stockholders only if such business is (i) specified in the notice of the annual meeting given by or at the direction of the board of directors or a committee of the board of directors, (ii) otherwise brought before the annual meeting by or at the direction of the board of directors or a committee of the board of directors, or (iii) brought before the meeting by a Silver Eagle stockholder who is a stockholder of record on the date of the giving of notice of the annual meeting to Silver Eagle stockholders and on the record date for the determination of Silver Eagle stockholders entitled to vote at such annual meeting and who complies with the procedures described below. Silver Eagle’s amended and restated bylaws provide that a stockholder submitting proposed business to be considered at an annual meeting of Silver Eagle’s stockholders must deliver a written notice to Silver Eagle’s secretary no later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year’s annual meeting of stockholders. The notice must set forth as to each matter such stockholder proposes to bring before the annual meeting:

- a brief description of the business the stockholder desires to bring before the annual meeting and the reasons for conducting such business at the annual meeting;
- the name and record address of such stockholder of record and beneficial owner (if any);
- the class or series and number of shares of capital stock of Silver Eagle which such stockholder owns, beneficially or of record;
- a description of all arrangements or understandings between such stockholder and any other person or persons (including their names) in connection with the proposal of such business by the proposing stockholder and any material interest of such stockholder in such business; and
- a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

Shareholder requisition: Extraordinary general meetings may be convened at any time by Videocon d2h’s board of directors at their discretion or at the request of the shareholders holding in the aggregate not less than 10% of the paid-up capital of Videocon d2h. The shareholders may requisition an extraordinary general meeting by providing such requisitions in writing or electronically at least clear 21 days prior to the proposed date of the meeting. The notice shall specify the place, date, day and hour of the meeting and contain the business to be transacted at the meeting and should be signed by all of the requisitionists or by a duly authorized representative.

Director Nomination: In accordance with the Indian Companies Act and the Articles of Association of Videocon d2h, every director will be appointed by the shareholders at a general meeting. The board of directors of Videocon d2h may appoint an additional director on the board of directors at any time who will hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier. Every person proposed to be appointed as a director by the company shall furnish his Director Identification Number (obtained in accordance with the provisions of the Indian Companies Act), a declaration that he is not disqualified under the Indian Companies Act to become a director and must give consent to hold office as a director.

In case of appointment of an independent director, the explanatory statement for such appointment annexed to the notice for the general meeting should include a statement that in the opinion of the board of directors of Videocon d2h he fulfils the conditions specified in the Indian Companies Act for appointment as an independent director.

Director Nominations. Silver Eagle's amended and restated bylaws provide that persons may be nominated for election as directors of Silver Eagle at an annual meeting of stockholders or a special meeting of stockholders called for the purpose of electing directors only (i) by or at the direction of the board of directors or (ii) by a Silver Eagle stockholder who is a stockholder of record on the date of the giving of notice of the meeting to Silver Eagle stockholders and on the record date for the determination of Silver Eagle stockholders entitled to vote at such meeting and who complies with the procedures described below. Silver Eagle's amended and restated bylaws provide that a stockholder making a nomination of a person for election to the board of directors at an annual meeting of stockholders or a special meeting of stockholders called for the purpose of electing directors must deliver written notice to Silver Eagle's secretary no later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting of stockholders, or the close of business on the 10th day following the day on which public announcement of the date of the annual meeting was first made by Silver Eagle, or, in the case of a special meeting of stockholders, not later than the 10th day following the day on which public notice of the date of the special meeting of stockholders was first made, whichever occurs first, in the case of a special meeting of stockholders called for the purpose of electing directors. In addition, any stockholder desiring to nominate any person for election as director must deliver a notice that sets forth (a) as to each person whom the stockholder proposes to nominate for election as a director:

- the name, age, business address and residence address of the person;
- the person's principal occupation or employment;
- the class or series and number of shares of capital stock of Silver Eagle which such the person owns beneficially or of record; and

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- any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

and (b) as to the stockholder giving notice of the proposed nomination of a director:

- the name and record address of the stockholder;
- the class or series and number of shares of Silver Eagle's capital stock which are beneficially owned or owned of record by the stockholder;
- a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder;
- a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice; and
- any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

The stockholder's notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

STOCKHOLDER SUITS

Under Delaware law, stockholders may bring derivative actions on behalf of the corporation to enforce certain rights of the corporation. Prior to bringing an action, a stockholder plaintiff must make a demand on the directors of the corporation to assert the claim, and may only bring an action if the stockholder's demand is wrongfully refused, unless the stockholder plaintiff is able to show, and alleges in the complaint, that making such a demand would be futile. In order to maintain a derivative suit, a person must have been a stockholder at the time of the transaction that is the subject of the suit and must also generally maintain its status as a stockholder throughout the duration of the suit. In certain cases, class action lawsuits are also available to stockholders.

Under the Indian Companies Act, shareholders holding not less than one-tenth of the issued shareholder capital, shareholders representing not less than one-tenth of the total number of members or one hundred members, provided that they have paid all calls and other sums due on their shares, have the right to request the National Company Law Tribunal (or the authority notified as competent in this regard), for an order or injunction as to the taking or not taking of an action by the company on the following grounds of oppression or mismanagement: (i) that the company's affairs are being conducted in a manner prejudicial to public interest, in a manner oppressive to any member or members or in a manner prejudicial to the interests of the company; and (ii) that a material change has taken place in the management or control of the company, whether by a change in the board of directors or management or in the ownership of the company's shares, and by reason of such change it is likely that the affairs of the company will be conducted in a manner prejudicial to public interest or in a manner prejudicial to the interests of the company.

RIGHTS OF INSPECTION

Under the DGCL, stockholders have the right to inspect during normal business hours the corporation's stock ledger, a list of the corporation's stockholders, and other books and records of the corporation, after making a written demand complying with the form and manner requirements of Section 220 of the DGCL for a proper purpose reasonably related to the person's interest as a stockholder.

The DGCL requires the officer who has the charge of the corporation's stock ledger to prepare and make, at least 10 days before every meeting of stockholders, a complete list of stockholders entitled to vote at such meeting. The DGCL requires that this list (i) be open to the examination of any stockholder of the corporation for any purpose germane to the meeting for at least 10 days prior to the meeting during ordinary business hours at the principal place of business of the corporation, and (ii) be available for inspection by any stockholder present at the meeting at the time and place of the meeting, during the whole time thereof.

In accordance with the Indian Companies Act and the Articles of Association of Videocon d2h, the statutory registers (register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements) and copies of annual returns shall be open for inspection from 11:00 a.m. to 1:00 p.m. on all working days, other than Saturdays, at the registered office of Videocon d2h by the persons entitled thereto on payment, where required, of such fees as may be fixed by the board of directors.

BOARD OF DIRECTORS

Size and Classification of Board of Directors

Silver Eagle's amended and restated certificate of incorporation provides that the number of directors shall be fixed from time to time by a resolution of the board. There are currently five members of Silver Eagle's board of directors.

Videocon d2h's Articles of Association provide that the number of directors (including alternate directors) on the board of directors shall not be less than three or more than fifteen, unless otherwise approved by the shareholders in a general meeting. There are currently five directors on the board of directors of Videocon d2h. Upon completion of this Transaction, Harry E. Sloan and Jeff Sagansky (along with alternate directors for each, if any) will be appointed to the board of directors.

Election

Silver Eagle's amended and restated certificate of incorporation provides that a plurality of votes cast at a stockholders meeting on the election of directors shall suffice to elect directors. Silver Eagle maintains a classified board structure. Each director elected to the board shall hold office for up to three years or until the annual meeting of stockholders to elect new board members of such director's class has taken place and such replacement director has been elected and qualified, or until such director's earlier death, resignation, retirement, disqualification or removal.

In accordance with the Indian Companies Act and Videocon d2h's Articles of Association, appointment of directors is required to be approved by Videocon d2h's shareholders. Additional directors appointed by the board can hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier. Independent directors appointed by the shareholders shall hold a term of up to five consecutive years on the board, but will be eligible for re-appointment on passing of a special resolution (which requires that at least 75% of the total votes cast must be in favor of the resolution) by the company. However, an independent director cannot hold office for more than two consecutive terms, but can be eligible for re-appointment after a cool off period of three years during which he or she cannot be associated with the company in any other capacity, directly or indirectly. Executive directors cannot be appointed for a term exceeding five years at a time.

Removal

Silver Eagle's amended and restated certificate of incorporation provides that Silver Eagle's stockholders, acting by the majority vote of the holders of the outstanding shares then entitled to vote at an election of directors, may remove the entire board of directors or any individual director from office, but only for cause.

In accordance with the Indian Companies Act, a director may be removed before the end of his or her term, by the majority vote of a company's shareholders, after giving him or her a reasonable opportunity to be heard.

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Vacancies

Silver Eagle's amended and restated certificate of incorporation provides that a majority of the directors then in office, although less than a quorum, or a sole remaining director, may act to fill vacancies and newly created directorships resulting from any increase in the authorized number of directors or from any other cause. Each director so chosen shall hold office until the next annual meeting and until such director's successor shall be duly elected and shall qualify, subject, however, to such director's earlier death, resignation, retirement, disqualification or removal.

Videocon d2h's Articles of Association provide that the board of directors have the power to appoint any qualified person to be a director to fill a casual vacancy on the board of directors. Any person so appointed shall hold office only for such period as the director in whose place he or she is appointed would have held office if it had not been vacated, but he or she shall then be eligible for re-election.

Director Liability and Indemnification

As permitted by the DGCL, Silver Eagle’s amended and restated certificate of incorporation provides that a director of Silver Eagle shall not be personally liable to Silver Eagle or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted by the DGCL as the same exists or may be amended in the future. Silver Eagle’s amended and restated certificate of incorporation provides that any amendment, repeal or modification of this provision by the stockholders of Silver Eagle or otherwise shall not adversely affect any right or protection of a director of Silver Eagle with respect to any act or omission occurring prior to the time of such amendment, repeal or modification.

Silver Eagle’s amended and restated certificate of incorporation further provides that, to the fullest extent permitted by the DGCL, Silver Eagle must indemnify and hold harmless any person, such person referred to as an “indemnitee,” who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a “proceeding”), by reason of the fact that he or she, or a person for whom he or she is a legal representative, is or was a director or officer of Silver Eagle, or, while a director or officer of Silver Eagle, is or was serving at the request of Silver Eagle as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, other enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys’ fees) incurred by indemnitee. Silver Eagle’s amended and restated certificate of incorporation provides that, to the fullest extent permitted by the DGCL, as the same exists or may be amended in the future, Silver Eagle must pay all expenses that a covered person incurs (including attorneys’ fees) in defending any proceeding. Silver Eagle must do so in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by Silver Eagle as authorized by Silver Eagle’s amended and restated certificate of incorporation.

Generally, Indian law provides that directors are not personally liable in respect of contracts of the company. However, where a director acts without the approval or ratification of the company, such director may be personally liable. Directors are also personally liable for breach of trust or misfeasance, both civil and criminal. The Indian Companies Act contains certain provisions making directors personally liable to discharge certain monetary obligations in their capacity as directors, such as the acceptance of monies or making an offer for subscription of securities on private placement in contravention of the Indian Companies Act. Similarly, the Indian Companies Act provides for civil liability of directors for misstatements in a prospectus issued by the company that has been signed by the directors, including the obligation to pay compensation to any persons subscribing to the shares of the company on the faith of statements made in the prospectus.

In terms of the Indian Companies Act and provisions of Videocon d2h’s Articles of Association, Videocon d2h’s officers and directors are indemnified out of Videocon d2h’s assets against any liability incurred by such officer or director in defending any proceeding, whether civil or criminal, where the judgment is delivered in favor of such officer or director or pursuant to which such officer or director is acquitted by a competent court.

ANTI-TAKEOVER PROVISIONS**Business Combinations**

Silver Eagle is governed by the provisions of Section 203 of the DGCL, which generally has an anti-takeover effect for transactions not approved in advance by its board of directors. This may discourage takeover attempts that might result in payment of a premium over the market price for the shares of common stock held by stockholders. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a three-year period following the time that such stockholder becomes an interested stockholder, unless certain conditions are met as described below. A “business combination” includes, among other things, a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. An “interested stockholder” is a person who, together with affiliates and associates, owns, or did own within three years prior to the determination of interested stockholder status, 15% or more of the corporation’s voting stock.

Under Section 203 of the DGCL, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- the board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder before the stockholder became an interested stockholder;
- upon consummation of the business combination which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are both directors and officers, and employee stock plans (in certain instances); or
- at or after the time the stockholder became an interested stockholder: (1) the board of directors of the corporation approved the business combination and (2) the stockholders, at an annual or special meeting (and not by written consent), approved the business combination by an affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Under the Indian Companies Act, the merger of two companies is required to be approved by a court of competent jurisdiction and by a three-fourths majority of each class of shareholders and creditors of the company present and voting at the meetings held to approve the merger.

DUTIES OF DIRECTORS

Under Delaware law, the business and affairs of a Delaware corporation such as Silver Eagle are managed by or under the direction of a board of directors. In managing the business and affairs of the corporation, the directors owe fiduciary duties, including the duties of care and loyalty (including good faith), to the corporation and its stockholders, and in certain circumstances, to the corporation's creditors. The duty of care essentially requires directors to be attentive and inform themselves of all material facts regarding a decision before taking action. The duty of loyalty generally requires that the directors' actions be motivated solely by the best interests of the corporation and its stockholders. In addition, under certain circumstances, directors owe a duty of full and fair disclosure.

The DGCL provides that no contract or transaction between a Delaware corporation and one or more of its directors, or between the corporation and any other corporation, partnership, association or other organization in which one or more of its directors are directors or officers or have a financial interest are void or voidable solely for this reason, or solely because such director is present at or participates in the meeting of the board of directors which authorizes the contract or transaction, or solely because any such director's votes are counted for such purpose if: (i) the material facts as to the director's relationship or interest and as to the contract or transaction are disclosed to or are known to the board of directors or a committee of the board of directors and the board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though less than a quorum; (ii) the material facts as to the director's relationship or interest and as to the contract or transaction are disclosed to or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by a vote of the stockholders; or (iii) the contract or transaction is fair as to the corporation at the time it is authorized by the board of directors, a committee of the board of directors or the stockholders.

In accordance with the Indian Companies Act, a director of a company is to act in accordance with the Articles of Association of the company. A director is required to act in good faith in order to promote the objects of the company for the benefit of the shareholders as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of the environment. A director is required to exercise his duties with due and reasonable care, skill and diligence and exercise independent judgment. A director shall not involve himself or herself in a situation in which he or she may have a direct or indirect interest that conflicts, or potentially may conflict, with the interests of the company. Further, a director cannot achieve or attempt to achieve any undue gain or advantage, either to himself or to his relatives, partners, or associates, and if such director is found guilty of making any undue gain, he or she will be liable to pay an amount equal to that gain to the company. A director cannot assign his or her office, and any assignment so made shall be void.

In accordance with the Indian Companies Act, a director who is in any way, directly or indirectly, concerned or interested in any contract or arrangement or proposed contract or arrangement entered into or to be entered into with either a body corporate in which such director holds two percent shareholding or is a promoter or manager or chief executive officer of, or a firm or any other entity in which such director is a partner, owner or member, is required to disclose the nature of his or her concern or interest at the meeting of the board where such a contract is being discussed and cannot participate in the meeting. A contract or arrangement entered into without such disclosure is voidable at the option of the company.

DESCRIPTION OF VIDEOCON D2H SHARE CAPITAL

Set forth below is information relating to Videocon d2h's share capital, including brief summaries of certain provisions of its Memorandum and Articles of Association, the (Indian) Companies Act, 2013, and the rules promulgated thereunder, the (Indian) Companies Act, 1956 (to the extent in force), which we refer to, together as the Indian Companies Act, and certain related Indian laws, all as currently in effect. The following description of share capital is subject in its entirety to Videocon d2h's Memorandum of Association and Articles of Association, the provisions of the Indian Companies Act and other applicable provisions of Indian law.

The rights of shareholders described in this section are available only to Videocon d2h's shareholders. For the purposes of this prospectus, a "shareholder" means a person who holds certificated shares of Videocon d2h or is recorded as a beneficial owner of shares of Videocon d2h with a depository pursuant to the Depositories Act, 1996, as amended from time to time. Investors who acquire the ADSs will not be Videocon d2h's shareholders and therefore will not be directly entitled to the rights conferred on Videocon d2h's shareholders by the Articles of Association or the rights conferred on shareholders of an Indian company by Indian law. Videocon d2h's equity shares are in registered physical form as well as non-physical or book-entry form. Holders of ADSs are entitled to receive dividends and to exercise the right to vote in accordance with the deposit agreement. For additional information on the ADSs, see "*Description of the American Depositary Shares.*"

HOLDERS OF THE VIDEOCON d2h ADSs SHOULD REFER TO THE DESCRIPTION OF THE ADSs UNDER "DESCRIPTION OF THE AMERICAN DEPOSITARY SHARES" FOR INFORMATION WITH RESPECT TO THEIR RIGHTS TO DIVIDENDS AND THE EXERCISE OF VOTING RIGHTS ATTACHING TO THE EQUITY SHARES REPRESENTED BY THEIR ADSs AND FOR OTHER RIGHTS ARISING IN RESPECT OF THE EQUITY SHARES UNDER THE DEPOSIT AGREEMENT.

The Company

Videocon d2h was incorporated in Maharashtra, India, as a public limited company on November 22, 2002 as 'Bharat Business Channel Limited'. Videocon d2h's name was subsequently changed to 'Videocon d2h Limited' on July 1, 2014. Videocon d2h's registration number is 137947 and its registered office is presently situated in the state of Maharashtra at Auto Cars Compound, Adalat Road, Aurangabad 431 005, India.

Share Capital

Videocon d2h's authorized share capital is Rs.5,000 million, divided into 500 million equity shares of face value Rs.10 per equity share. As of September 30, 2014, Videocon d2h's issued share capital was Rs.2,420 million, divided into 242 million equity shares of face value Rs.10 per equity share.

Changes in Capital or Memorandum of Association and Articles of Association

Subject to the Indian Companies Act and the Articles of Association, Videocon d2h may, by passing an ordinary resolution or a special resolution, as applicable, at a general meeting:

- increase the authorized or paid up share capital;
- consolidate all or any part of its shares into a smaller number of shares each with a larger par value;
- sub-divide all or any part of its shares into a larger number of shares each with a smaller par value;
- convert any of its fully paid-up shares into stock, and reconvert any stock into any number of fully paid-up shares of any denomination;
- cancel shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of the authorized share capital by the amount of the shares so cancelled;
- reduce its issued share capital; or
- alter its Memorandum of Association or Articles of Association.

General Meetings of Shareholders

Videocon d2h must convene its annual general meeting within six months of the end of each fiscal year and must ensure that the intervening period between two annual general meetings does not exceed 15 months. The Registrar of Companies may extend this period in special circumstances, but not exceeding three months, at the request of Videocon d2h. Extraordinary general meetings may be convened at any time by Videocon d2h's directors at their discretion or at the request of the shareholders holding in the aggregate not less than 10% of the paid-up capital of Videocon d2h. A notice either in writing or through electronic mode to convene a general meeting must set out the date, time, place and agenda of the meeting and must be provided to shareholders at least 21 days prior to the date of the proposed meeting. The requirement of the 21 days' notice in writing may be waived if consent to shorter notice is received from not less than 95% of the shareholders entitled to vote at the meeting. General meetings are generally held at Videocon d2h's registered office. Videocon d2h's business may be transacted at a general meeting only when a quorum of shareholders is present. Unless the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, will constitute a quorum for a general meeting.

Under the provisions of the Indian Companies Act and the rules issued thereunder, a company with 200 shareholders or more intending to pass a resolution relating to matters such as, but not limited to, an amendment of the objects clause of the Memorandum, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business at Videocon d2h's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefor and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

At a general meeting, upon a show of hands, every shareholder holding shares and entitled to vote and present in person has one vote. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to Videocon d2h's total paid up capital. Voting is by show of hands unless a poll is ordered by the chairman of the meeting, who is generally the chairman of the board of directors but may be another director or other person selected by the board of directors or the shareholders present at the meeting in the absence of the chairman, or demanded by a shareholder or shareholders holding at least 10% of the voting rights or holding shares on which an aggregate sum of at least Rs.500,000 has been paid up. In the case of a tie vote, the chairman of the meeting has the right to cast a tie-breaking vote.

In the case of joint holders, only one of them may vote and in the absence of election as to who is to vote, the vote of the senior of the joint holders who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. Seniority is determined by the order in which the names appear in the register of shareholders.

Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that at least 75% of the total votes cast must be in favor of the resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of Association of Videocon d2h. The instrument appointing a proxy is required to be lodged with Videocon d2h at least 48 hours before the time of the meeting or in the case of a poll, at least 24 hours before the time appointed for the taking of the poll. A proxy may not vote except on a poll and does not have a right to speak at meetings.

Videocon d2h's Articles of Association, subject to the Indian Companies Act including the rules promulgated under it and other applicable law, allows Videocon d2h to issue shares with differential rights as to dividend, voting or otherwise.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the annual general meeting held each fiscal year. Subject to certain conditions laid down by the Indian Companies Act, no dividend can be declared or paid by a company for any fiscal year except out of the profits of the company for that year, calculated in accordance with the provisions of the Indian Companies Act or out of the profits of the company for any previous fiscal year(s) as determined in accordance with the Indian Companies Act. Further, as per the Companies (Declaration and Payment of Dividend) Rules, 2014, in the absence of profits in any year, company may declare dividend out of surplus, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividends were declared by it in the three years immediately preceding that year; (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid up share capital and free reserves as per the latest audited balance sheet; (c) the amount so drawn shall be first utilized to set off the losses incurred in the fiscal year in which the dividend is declared before any dividend in respect of equity shares is declared; (d) the balance of reserves after such withdrawal shall not fall below 15% of its paid up share capital as per the latest audited balance sheet of the company; and (e) no company shall declare a dividend unless carried over previous losses and depreciation not provided in previous years are set off against profit of the company of the current year.

Pursuant to the Articles of Association of Videocon d2h, the amount of dividends shall not exceed the amount recommended by the Board of Directors. However, Videocon d2h may declare a smaller dividend in the general meeting. In addition, the Articles of Association of Videocon d2h provides that the Board of the Directors may pay interim dividend if it appears to the Board of Directors that the dividends are justified by the profits of Videocon d2h, subject to the requirements of the Indian Companies Act.

Unclaimed dividends shall not be forfeited by Videocon d2h unless the claim thereof becomes barred by law. In accordance with the Indian Companies Act, Videocon d2h will credit such unclaimed dividends to its unpaid dividend account, and any money transferred to the unclaimed dividend account of Videocon d2h which remains unpaid and unclaimed for a period of seven years from the date they became due for payment, shall be transferred by Videocon d2h to the Investor Education and Protection Fund established by the Government of India, in accordance with the Indian Companies Act.

Transfer of Shares

Under the Indian Companies Act, the shares of a public company are freely transferable. The transferor is deemed to remain the holder until the transferee's name is entered in the register of shareholders.

In the case of shares held in physical form, Videocon d2h will register any transfers of equity shares in the register of shareholders upon lodgment of the duly completed share transfer form, the relevant share certificate, or if there is no certificate, the letter of allotment, in respect of shares to be transferred together with duly stamped share transfer forms. In respect of shares in dematerialized form, the depository transfers shares by entering the name of the purchaser in its register as the beneficial owner of the shares. In turn, Videocon d2h then enters the name of the depository in its records as the registered owner of the shares. The beneficial owner is entitled to all the rights and benefits and is subject to the liabilities attached to the shares held by the depository on his or her or its behalf.

Videocon d2h's Articles of Association provide for certain restrictions on the transfer of equity shares, including granting power to the board of directors in certain circumstances to refuse to register or acknowledge a transfer of equity shares or other securities issued by it; provided that Videocon d2h is required to, within one month from the date of which the instrument of transfer was delivered to it, send notice of the refusal to the transferee and the transferor, giving reason for such refusal.

Under the Indian Companies Act, if a company without sufficient cause refuses to register a transfer of equity shares within a period of thirty days from the date on which the instrument of transfer is delivered to the company, the transferee may, within a period of 60 days of such refusal (or where no such intimation has been received from the company, within 90 days of delivery of the instrument of transfer) appeal to the National Company Law Tribunal or the Company Law Board. The Indian Companies Act provides that the National Company Law Tribunal or the Company Law Board may direct that the transfer of shares be

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registered by a company or rectification of the register and also direct the company to pay damages, if any, sustained by the party aggrieved. In addition the National Company Law Tribunal may also direct a rectification of the register of members for a transfer of equity shares which is in contravention of the Securities Contracts (Regulations) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the Indian Companies Act or any similar law, upon an application by the company, a participant, a depository incorporated in India, an investor or SEBI.

Disclosure of Ownership Interest

The Indian Companies Act requires that beneficial owners of shares of companies who are not registered as holders of those shares must make a declaration to the company specifying, among others things, the nature of his or her or its interest and particulars of the registered holder of such shares. No right in relation to any share in respect of which a declaration is required to be made but is not made by the beneficial owner, will be enforceable by him or by any person claiming through him. A company is, under the Indian Companies Act, required to make note of a declaration of beneficial ownership made to it in the register concerned and file a return with the relevant registrar of companies. Failure by a person to comply will not prejudice the obligation of a company to pay dividends to its shareholders under the Indian Companies Act which will stand discharged upon such payment.

Any shareholder (but not a holder of ADSs) who fails to comply with these requirements, without any reasonable cause, may be liable for a fine of up to Rs.50,000 and where the failure is a continuing one, a further fine of up to Rs.1,000 for each day such failure continues after the first. Additionally, if the company fails to comply with the provisions, then the company and every defaulting officer may be liable for a fine of not less than Rs.1,000 and where the failure is a continuing one, a further fine of up to Rs.1,000 for each day the default continues after the first.

Alteration of Shareholder Rights

Under the Indian Companies Act, and subject to the provisions of the articles of association of a company, where the share capital of a company is divided into different classes of shares, the rights of any class of shareholders can only be altered or varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class by a special resolution passed at a separate meeting of the holders of the issued shares of that class. However, if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained.

Share Register and Record Dates

Videocon d2h's Articles of Association allows it to maintain a register of shareholders, in accordance with the Indian Companies Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any medium as may be permitted by law, including in any form of electronic medium. The register and index of beneficial owners maintained by a depository under the Depositories Act, 1996 is deemed to be an index of shareholders and register and index of debenture holders. Videocon d2h recognizes as shareholders only those persons who appear on Videocon d2h's register of shareholders and does not recognize any person holding any equity share or part thereof on trust, whether express, implied or constructive, except as permitted by law. In accordance with Videocon d2h's Articles of Association, the registers are open for inspection during 11:00 a.m. to 1:00 p.m. on all working days, other than Saturdays, at the registered office of Videocon d2h by the persons entitled thereto on payment, where required, of such fees as may be fixed by the board of directors but not exceeding the applicable limits.

To determine which shareholders are entitled to specified shareholder rights, Videocon d2h may close the register of shareholders. For the purpose of determining who Videocon d2h's shareholders are, its register of shareholders may be closed for periods not exceeding in the aggregate 45 days in any one year or 30 days at any one time, subject to providing at least 7 days notice. The date on which this period begins is the record date.

Books of accounts

Under the Indian Companies Act, every company is required to prepare and maintain proper books of account on an accrual basis. The books of account maintained by the company will be open for inspection by

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any director of the company, during business hours. The board of directors of Videocon d2h may from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company shall be open to the inspection of shareholders not being directors and no shareholder (not being a director) shall have any right of inspecting any accounts or books or documents of Videocon d2h except as conferred by law or authorized by the board of directors or by Videocon d2h in a general meeting.

Under the Indian Companies Act, the financial statements shall be laid before each annual general meeting and Videocon d2h must file with the registrar of companies its balance sheet and profit and loss account.

Borrowing Powers

Under the Indian Companies Act, unless the consent of the shareholders by a special resolution in a general meeting is obtained, directors may raise, borrow or secure the payment of any sums of money for its purposes as they deem appropriate, provided that the aggregate of the monies to be borrowed and the principal amount outstanding in respect of monies raised, borrowed or secured by it does not exceed the aggregate of Videocon d2h's paid up share capital plus free reserves. Videocon d2h's shareholders have authorized the Board to borrow, from time to time, such sums of money as may be required, provided that such amount shall not exceed Rs.100,000 million.

Pre-emptive Rights and Alteration of Share Capital

Subject to the provisions of the Indian Companies Act, Videocon d2h may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. Pursuant to Section 62(1) (a) of the Indian Companies Act, such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date the board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the shareholders of Videocon d2h. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favor of any other person.

Under the provisions of Section 62(1)(c) of the Indian Companies Act, new shares may be offered to any persons whether or not those persons include existing shareholders, 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 certain prescribed conditions and procedures, if a special resolution to that effect is passed by Videocon d2h's shareholders in a general meeting.

Capitalization of Reserves and Issue of Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Indian Companies Act permits the board of directors of a company to issue fully paid up bonus shares to its shareholders out of (a) the free reserves of the company, (b) the securities premium account, or (c) the capital redemption reserve account. However, a company may capitalize its profits or reserves for issue of fully paid up bonus shares, provided: (a) it is authorized by the company's articles of association, (b) it has been, on the recommendation of the board of directors, approved by the shareholders in a general meeting, (c) it has not defaulted in payment of interest or principal in respect of fixed deposits or debt securities issued by it, (d) it has not defaulted on payment of statutory dues, and (e) there are no partly paid shares. The issue of bonus shares once declared cannot be withdrawn. These bonus shares are distributed to shareholders in proportion to the number of equity shares owned by them as recommended by the board of directors, except as may otherwise have been waived by such holders of equity shares. No issue of bonus shares may be made by capitalizing reserves created by revaluation of assets, and no bonus shares shall be issued in lieu of dividends. Under Videocon d2h's Articles of Association, the holders of the ADSs (including equity shares issuable upon the conversion of such ADSs), other than the Sponsor, are deemed to have waived their interest in or entitlement to equity shares issued pursuant to a bonus issue to give effect to the earn-out provisions of the Contribution Agreement. See "*Summary — Videocon d2h Equity Shares and ADSs to be Issued in the Transaction*" and "*Unaudited Pro Forma Condensed Financial Information*".

Purchase of Own Equity Shares

A company may reduce its capital in accordance with the Indian Companies Act by way of a share buy-back out of its free reserves or securities premium account or the proceeds of any shares or other specified securities (other than the kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back must be authorized by the company's articles of association;
- the buy-back is limited to 25% of the company's total paid up capital and free reserves; and
- the ratio of debt owed is not more than twice the paid-up capital and free reserves after such buy-back;

provided that no buy-back shall be made within 365 days from the date of any previous buy-back. If such buy-back constitutes more than 10% of the total paid-up equity capital and free reserves of the company, it must be authorized by a special resolution of the company adopted at a general meeting. Videocon d2h's Articles of Association permits it to buy back its equity shares.

Any equity shares which have been bought back by Videocon d2h must be extinguished within seven days. Further, following any buy back, Videocon d2h will not be permitted to buy back any securities for a period of one year or to issue new securities for six months except by way of a bonus issue or in discharge of Videocon d2h's existing obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity.

ADS holders will be eligible to participate in a share buy-back in certain cases. An ADS holder may acquire equity shares by withdrawing them from the depository facility and then selling those equity shares back to Videocon d2h in accordance with the provisions of applicable law as discussed above. ADS holders should note that equity shares withdrawn from the depository facility may only be redeposited into the depository facility under certain circumstances. See "*Description of the American Depositary Shares.*"

There can be no assurance that the equity shares offered by an ADS holder in any buy-back of equity shares by Videocon d2h will be accepted by it. The position regarding regulatory approvals required for ADS holders to participate in a buy-back is not clear. ADS investors are advised to consult their Indian legal advisers prior to participating in any buy-back by Videocon d2h, including in relation to any regulatory approvals and tax issues relating to the share buy-back.

Liquidation rights

Subject to the rights of creditors, of employees and of the holders of any other shares entitled by their terms of issue to preferential repayment over the shares, in the event of a winding-up of Videocon d2h, the holders of its equity shares are entitled to be repaid the amounts of capital paid up or credited as paid up on such shares or in case of a shortfall, proportionately. All surplus assets after payments due to employees, the holders of any preference shares and other creditors belong to the holders of the equity shares in proportion to the amount paid up or credited as paid up on such shares, respectively, at the commencement of the winding-up.

DESCRIPTION OF THE AMERICAN DEPOSITARY SHARES

American Depositary Shares

Deutsche Bank Trust Company Americas, as depositary, will register and deliver the ADSs. Each ADS will represent ownership of [•] shares, deposited with ICICI Bank Limited, as custodian for the depositary. Each ADS will also represent ownership of any other securities, cash or other property which may be held by the depositary. The depositary's corporate trust office at which the ADSs will be administered is located at 60 Wall Street, New York, NY 10005, USA. The principal executive office of the depositary is located at 60 Wall Street, New York, NY 10005, USA.

The Direct Registration System, or DRS, is a system administered by The Depository Trust Company, or DTC, pursuant to which the depositary may register the ownership of uncertificated ADSs, which ownership shall be evidenced by periodic statements issued by the depositary to the ADS holders entitled thereto.

Videocon d2h will not treat ADS holders as its shareholders and accordingly, you, as an ADS holder, will not have shareholder rights. Indian law governs shareholder rights. The depositary will be the holder of the equity shares underlying your ADSs. As a holder of ADSs, you will have ADS holder rights. A deposit agreement among Videocon d2h, the depositary and you, as an ADS holder, and the beneficial owners of ADSs sets out ADS holder rights as well as the rights and obligations of the depositary. The laws of the State of New York govern the deposit agreement and the ADSs.

The following is a summary of the material provisions of the deposit agreement. For more complete information, you should read the entire deposit agreement and the form of American Depositary Receipt. For directions on how to obtain copies of those documents, see "*Where You Can Find More Information.*"

Holding the ADSs

How will you hold your ADSs?

You may hold ADSs either (1) directly (a) by having an American Depositary Receipt, or ADR, which is a certificate evidencing a specific number of ADSs, registered in your name, or (b) by holding ADSs in DRS, or (2) indirectly through your broker or other financial institution. If you hold ADSs directly, you are an ADS holder. This description assumes you hold your ADSs directly. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

Dividends and Other Distributions

How will you receive dividends and other distributions on the shares?

The depositary has agreed to pay to you the cash dividends or other distributions it or the custodian receives on equity shares or other deposited securities, after deducting its fees and expenses. You will receive these distributions in proportion to the number of equity shares your ADSs represent as of the record date (which will be as close as practicable to the record date for Videocon d2h's equity shares) set by the depositary with respect to the ADSs.

- **Cash.** The depositary will convert or cause to be converted any cash dividend or other cash distribution Videocon d2h pays on the equity shares or any net proceeds from the sale of any equity shares, rights, securities or other entitlements under the terms of the deposit agreement into U.S. dollars if it can do so on a practicable basis, and can transfer the U.S. dollars to the United States and will distribute promptly the amount thus received. If the depositary shall determine in its judgment that such conversions or transfers are not possible or lawful or if any government approval or license is needed and cannot be obtained at a reasonable cost within a reasonable period or otherwise sought, the deposit agreement allows the depositary to distribute the foreign currency only to those ADS holders to whom it is possible to do so. It will hold or cause the custodian to hold the foreign currency it cannot convert for the account of the ADS holders who have not been paid and such funds will be held in the respective accounts of the ADS holders. It will not invest the foreign currency and it will not be liable for any interest for the respective accounts of the ADS holders.

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- Before making a distribution, any taxes or other governmental charges, together with fees and expenses of the depository, that must be paid, will be deducted. See “*Material U.S. Federal Income Tax Considerations.*” It will distribute only whole U.S. dollars and cents and will round fractional cents to the nearest whole cent. *If the exchange rates fluctuate during a time when the depository cannot convert the foreign currency, you may lose some or all of the value of the distribution.*
- **Shares.** For any equity shares Videocon d2h distributes as a dividend or free distribution, either (1) the depository will distribute additional ADSs representing such equity shares or (2) existing ADSs as of the applicable record date will represent rights and interests in the additional equity shares distributed, to the extent reasonably practicable and permissible under law, in either case, net of applicable fees, charges and expenses incurred by the depository and taxes and/or other governmental charges. The depository will only distribute whole ADSs. It will try to sell equity shares which would require it to deliver a fractional ADS and distribute the net proceeds in the same way as it does with cash. The depository may sell a portion of the distributed equity shares sufficient to pay its fees and expenses in connection with that distribution.

In accordance with the terms of the Contribution Agreement, the current shareholders of Videocon d2h will be entitled to be issued additional Videocon d2h equity shares equal to 11.68 million Videocon d2h ADSs and the Sponsor will be entitled to be issued an additional 1.3 million Videocon d2h ADSs (which is equal to 5.2 million Videocon d2h equity shares) increasing ratably to a maximum of 2 million Videocon d2h ADSs (which is equal to 8.0 million Videocon d2h equity shares), based on the applicable actual contribution amount following the closing subject to the achievement of certain ADS price targets for a specified period following the closing.

The earn-out shares issued to the existing shareholders of Videocon d2h, as on the date of the Contribution Agreement, and the Sponsor will be issued by way of a bonus issue of shares (or such other form as determined by the independent members of the Board of Directors of Videocon d2h), in accordance with the applicable Indian laws and as described in Sections 1.1(c) and 5.9 of the Contribution Agreement filed as an exhibit to this Form F-4. In the event that such Videocon d2h shares are issued by way of a bonus issue, the holders of the ADSs registered pursuant to an effective Form F-6 and any holders of equity shares that have been withdrawn from deposit following cancellation of the ADSs pursuant to the terms of the deposit agreement other than the Sponsor, shall have no interest in or entitlement to equity shares issued pursuant to such bonus. In accordance with, or as authorized under, the terms of the Articles of Association, the holders of the ADSs or holders of equity shares that have been withdrawn from deposit, other than the Sponsor, shall be deemed to have waived their interest in or entitlement to equity shares issued pursuant to such bonus. Furthermore, in accordance with, or as authorized under, the terms of Videocon d2h’s Articles of Association, the holders of the ADSs shall be deemed to have authorized the Company to instruct the Depository to accept for deposit any equity shares and issue ADSs as may be required to effect the earn-out pursuant to the Contribution Agreement and Videocon d2h’s Articles of Association, subject to Section 2.3 and Section 2.11 of the deposit agreement. Videocon d2h may reject entirely any claims for entitlement to receive bonus shares by any holders of equity shares that have been withdrawn from deposit or that have otherwise been issued and are outstanding (other than those equity shares held by the existing shareholders as on the date of the Contribution Agreement and the Sponsor).

- **Elective Distributions in Cash or Shares.** If Videocon d2h offers holders of its equity shares the option to receive dividends in either cash or shares, the depository, after consultation with us and having received timely notice as described in the deposit agreement of such elective distribution by us, has discretion to determine to what extent such elective distribution will be made available to you as a holder of the ADSs. Videocon d2h must timely first instruct the depository to make such elective distribution available to you and furnish it with satisfactory evidence that it is legal to do so. The depository could decide it is not legal or reasonably practicable to make such elective distribution available to you. In such case, the depository shall, on the basis of the same determination as is made in respect of the equity shares for which no election is made, distribute either cash in the same way as it does in a cash distribution, or additional ADSs representing equity

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shares in the same way as it does in a share distribution. The depositary is not obligated to make available to you a method to receive the elective dividend in shares rather than in ADSs. There can be no assurance that you will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of equity shares.

- ***Rights to Purchase Additional Shares.*** If Videocon d2h offers holders of its equity shares any rights to subscribe for additional shares, the depositary shall having received timely notice as described in the deposit agreement of such distribution by Videocon d2h, consult with Videocon d2h, and it must determine whether it is lawful and reasonably practicable to make these rights available to you. Videocon d2h must first instruct the depositary to make such rights available to you and furnish the depositary with satisfactory evidence that it is legal to do so. If the depositary decides it is not legal or reasonably practicable to make the rights available but that it is lawful and reasonably practicable to sell the rights, the depositary will endeavor to sell the rights and in a riskless principal capacity or otherwise, at such place and upon such terms (including public or private sale) as it may deem proper distribute the net proceeds in the same way as it does with cash. The depositary will allow rights that are not distributed or sold to lapse. In that case, you will receive no value for them.

If the depositary makes rights available to you, it will establish procedures to distribute such rights and enable you to exercise the rights upon your payment of applicable fees, charges and expenses incurred by the depositary and taxes and/or other governmental charges. The Depositary shall not be obliged to make available to you a method to exercise such rights to subscribe for equity shares (rather than ADSs).

U.S. securities laws may restrict transfers and cancellation of the ADSs represented by shares purchased upon exercise of rights. For example, you may not be able to trade these ADSs freely in the United States. In this case, the depositary may deliver restricted depositary shares that have the same terms as the ADSs described in this section except for changes needed to put the necessary restrictions in place.

There can be no assurance that you will be given the opportunity to exercise rights on the same terms and conditions as the holders of equity shares or be able to exercise such rights.

- ***Other Distributions.*** Subject to receipt of timely notice, as described in the deposit agreement, from us with the request to make any such distribution available to you, and provided the depositary has determined such distribution is lawful and reasonably practicable and feasible and in accordance with the terms of the deposit agreement, the depositary will distribute to you anything else Videocon d2h distributes on deposited securities by any means it may deem practicable, upon your payment of applicable fees, charges and expenses incurred by the depositary and taxes and/or other governmental charges. If any of the conditions above are not met, the depositary will endeavor to sell, or cause to be sold, what Videocon d2h distributed and distribute the net proceeds in the same way as it does with cash; or, if it is unable to sell such property, the depositary may dispose of such property in any way it deems reasonably practicable under the circumstances for nominal or no consideration, such that you may have no rights to or arising from such property.

The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADS holders. Videocon d2h has no obligation to register ADSs, shares, rights or other securities under the Securities Act. Videocon d2h also has no obligation to take any other action to permit the distribution of ADSs, shares, rights or anything else to ADS holders. This means that you may not receive the distributions Videocon d2h makes on its shares or any value for them if Videocon d2h and/or the depositary determines that it is illegal or not practicable for Videocon d2h or the depositary to make them available to you.

Deposit, Withdrawal and Cancellation

How are ADSs issued?

The depositary will deliver ADSs if you or your broker deposit equity shares or evidence of rights to receive equity shares with the custodian. Upon payment of its fees and expenses and of any taxes or charges,

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such as stamp taxes or stock transfer taxes or fees, the depositary will register the appropriate number of ADSs in the names you request and will deliver the ADSs to or upon the order of the person or persons entitled thereto.

Except for equity shares deposited by us in connection with this offering, no shares will be accepted for deposit during a period of 180 days after the date of this prospectus. The 180 day lock up period is subject to adjustment under certain circumstances as described in the section entitled “*Shares Eligible for Future Sales — Lock-up Agreements.*”

Under the deposit agreement, the depositary will, at the request of Videocon d2h, establish procedures for the deposit of equity shares that are “restricted securities” (as defined in the deposit agreement) in order for the holders of such equity shares to hold their ownership interest in the form of ADSs. For purposes of the deposit agreement, “restricted securities” include equity shares that are “restricted securities” as such term is defined in Rule 144, securities held by “affiliates” of Videocon d2h as such term is defined in Rule 144 and shares subject to contractual or other lock-ups or transfer restrictions. Restricted ADSs will be separately identifiable on the depositary’s books and will not be eligible for pre-release transactions (as described herein) or for inclusion in any book-entry settlement system, including DTC. If any restricted ADSs cease to be restricted securities, the depositary will, upon receipt of appropriate documentation, remove the restrictions applicable to such restricted ADSs. In order to transfer restricted ADSs, holders must, among other requirements, provide appropriate documentation that the restricted ADSs are transferrable under applicable securities laws and any other transfer restrictions applicable to such restricted ADSs. Videocon d2h anticipates establishing procedures for restricted ADSs, as necessary, in respect of equity shares issuable in the Transaction to persons who will become affiliates of Videocon d2h or were affiliates of Silver Eagle for purposes of Rule 145.

How do ADS holders cancel an American Depositary Share?

You may turn in your ADSs at the depositary’s corporate trust office or by providing appropriate instructions to your broker. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will deliver the equity shares and any other deposited securities underlying the ADSs to you or a person you designate at the office of the custodian. Or, at your request, risk and expense, the depositary will deliver the deposited securities at its corporate trust office, to the extent permitted by law.

How do ADS holders interchange between Certificated ADSs and Uncertificated ADSs?

You may surrender your ADR to the depositary for the purpose of exchanging your ADR for uncertificated ADSs. The depositary will cancel that ADR and will send you a statement confirming that you are the owner of uncertificated ADSs. Alternatively, upon receipt by the depositary of a proper instruction from a holder of uncertificated ADSs requesting the exchange of uncertificated ADSs for certificated ADSs, the depositary will execute and deliver to you an ADR evidencing those ADSs.

Voting Rights

How do you vote?

You may instruct the depositary to vote the equity shares or other deposited securities underlying your ADSs at any meeting at which you are entitled to vote pursuant to any applicable law, the provisions of Videocon d2h’s memorandum and articles of association, and the provisions of or governing the deposited securities. *Otherwise, you could exercise your right to vote directly if you withdraw the equity shares. However, you may not know about the meeting sufficiently enough in advance to withdraw the equity shares.*

If Videocon d2h asks for your instructions and upon timely notice from us by regular, ordinary mail delivery, or by electronic transmission, as described in the deposit agreement, the depositary will notify you of the upcoming meeting at which you are entitled to vote pursuant to any applicable law, the provisions of Videocon d2h’s memorandum and articles of association, and the provisions of or governing the deposited securities, and arrange to deliver Videocon d2h’s voting materials to you. The materials will include or reproduce (a) such notice of meeting or solicitation of consents or proxies; (b) a statement that the ADS holders at the close of business on the ADS record date will be entitled, subject to any applicable law, the

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provisions of Videocon d2h's memorandum and articles of association, and the provisions of or governing the deposited securities, to instruct the depositary as to the exercise of the voting rights, if any, pertaining to the equity shares or other deposited securities represented by such holder's ADSs; and (c) a brief statement as to the manner in which such instructions may be given or deemed given in accordance with the second to last sentence of this paragraph if no instruction is received, to the depositary to give a discretionary proxy to a person designated by us. Voting instructions may be given only in respect of a number of ADSs representing an integral number of equity shares or other deposited securities. For instructions to be valid, the depositary must receive them in writing on or before the date specified. The depositary will try, as far as practical, subject to applicable law and the provisions of Videocon d2h's memorandum and articles of association, to vote or to have its agents vote the equity shares or other deposited securities (in person or by proxy) as you instruct. The depositary will only vote or attempt to vote as you instruct. If Videocon d2h timely requested the depositary to solicit your instructions but no instructions are received by the depositary from an owner with respect to any of the deposited securities represented by the ADSs of that owner on or before the date established by the depositary for such purpose, the depositary shall deem that owner to have instructed the depositary to give a discretionary proxy to a person designated by us with respect to such deposited securities, and the depositary shall give a discretionary proxy to a person designated by us to vote such deposited securities. However, no such instruction shall be deemed given and no such discretionary proxy shall be given with respect to any matter if Videocon d2h informs the depositary it does not wish such proxy given, substantial opposition exists or the matter materially and adversely affects the rights of holders of the equity shares.

Videocon d2h cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote the equity shares underlying your ADSs. In addition, there can be no assurance that ADS holders and beneficial owners generally, or any holder or beneficial owner in particular, will be given the opportunity to vote or cause the custodian to vote on the same terms and conditions as the holders of Videocon d2h's equity shares. The depositary will not vote on any matter for which voting is conducted on a show of hands basis in accordance with Videocon d2h's Articles of Association and will not have an obligation to demand voting on a poll basis.

The depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. *This means that you may not be able to exercise your right to vote and you may have no recourse if the equity shares underlying your ADSs are not voted as you requested.*

In order to give you a reasonable opportunity to instruct the depositary as to the exercise of voting rights relating to deposited securities, if Videocon d2h requests the depositary to act, Videocon d2h will give the depositary notice of any such meeting and details concerning the matters to be voted at least 21 days in advance of the meeting date.

Compliance with Regulations

Information Requests

Each ADS holder and beneficial owner shall (a) provide such information as Videocon d2h or the depositary may request pursuant to law, including, without limitation, relevant Indian law, any applicable law of the United States of America, Videocon d2h's memorandum and articles of association, any resolutions of Videocon d2h's board of directors adopted pursuant to such memorandum and articles of association, the requirements of any markets or exchanges upon which the equity shares, ADSs or ADRs are listed or traded, or to any requirements of any electronic book-entry system by which the ADSs or ADRs may be transferred, regarding the capacity in which they own or owned ADRs, the identity of any other persons then or previously interested in such ADRs and the nature of such interest, and any other applicable matters, and (b) be bound by and subject to applicable provisions of the laws of India, Videocon d2h's memorandum and articles of association, and the requirements of any markets or exchanges upon which the ADSs, ADRs or equity shares are listed or traded, or pursuant to any requirements of any electronic book-entry system by which the ADSs, ADRs or equity shares may be transferred, to the same extent as if such ADS holder or beneficial owner held equity shares directly, in each case irrespective of whether or not they are ADS holders or beneficial owners at the time such request is made.

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Disclosure of Interests

Each ADS holder and beneficial owner shall comply with Videocon d2h's requests pursuant to Indian law, the rules and requirements of any stock exchange on which the equity shares are, or will be, registered, traded or listed or Videocon d2h's memorandum and articles of association, which requests are made to provide information, inter alia, as to the capacity in which such ADS holder or beneficial owner owns ADS and regarding the identity of any other person interested in such ADS and the nature of such interest and various other matters, whether or not they are ADS holders or beneficial owners at the time of such requests.

Fees and Expenses

As an ADS holder, you will be required to pay the following service fees to the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs):

<u>Service</u>	<u>Fees</u>
• To any person to which ADSs are issued or to any person to which a distribution is made in respect of ADS distributions pursuant to stock dividends or other free distributions of stock, bonus distributions, stock splits or other distributions (except where converted to cash)	Up to US\$0.05 per ADS issued
• Cancellation of ADSs, including the case of termination of the deposit agreement	Up to US\$0.05 per ADS cancelled
• Distribution of cash dividends	Up to US\$0.05 per ADS held
• Distribution of cash entitlements (other than cash dividends) and/or cash proceeds from the sale of rights, securities and other entitlements	Up to US\$0.05 per ADS held
• Distribution of ADSs pursuant to exercise of rights.	Up to US\$0.05 per ADS held
• Distribution of securities other than ADSs or rights to purchase additional ADSs	Up to US\$0.05 per ADS held
• Depositary services	Up to US\$0.05 per ADS held on the applicable record date(s) established by the depositary bank

As an ADS holder, you will also be responsible to pay certain fees and expenses incurred by the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs) such as:

- Fees for the transfer and registration of equity shares charged by the registrar and transfer agent for the equity shares in India (i.e., upon deposit and withdrawal of equity shares).
- Expenses incurred for converting foreign currency into U.S. dollars.
- Expenses for cable, telex and fax transmissions and for delivery of securities.
- Taxes and duties upon the transfer of securities, including any applicable stamp duties, any stock transfer charges or withholding taxes (i.e., when equity shares are deposited or withdrawn from deposit).
- Fees and expenses incurred in connection with the delivery or servicing of equity shares on deposit.
- Fees and expenses incurred in connection with complying with exchange control regulations and other regulatory requirements applicable to equity shares, deposited securities, ADSs and ADRs.
- Any applicable fees and penalties thereon.

The depositary fees payable upon the issuance and cancellation of ADSs are typically paid to the depositary bank by the brokers (on behalf of their clients) receiving the newly issued ADSs from the depositary bank and by the brokers (on behalf of their clients) delivering the ADSs to the depositary bank for cancellation. The brokers in turn charge these fees to their clients. Depositary fees payable in connection with

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distributions of cash or securities to ADS holders and the depositary services fee are charged by the depositary bank to the holders of record of ADSs as of the applicable ADS record date.

The depositary fees payable for cash distributions are generally deducted from the cash being distributed or by selling a portion of distributable property to pay the fees. In the case of distributions other than cash (i.e., share dividends, rights), the depositary bank charges the applicable fee to the ADS record date holders concurrent with the distribution. In the case of ADSs registered in the name of the investor (whether certificated or uncertificated in direct registration), the depositary bank sends invoices to the applicable record date ADS holders. In the case of ADSs held in brokerage and custodian accounts (via DTC), the depositary bank generally collects its fees through the systems provided by DTC (whose nominee is the registered holder of the ADSs held in DTC) from the brokers and custodians holding ADSs in their DTC accounts. The brokers and custodians who hold their clients' ADSs in DTC accounts in turn charge their clients' accounts the amount of the fees paid to the depositary banks.

In the event of refusal to pay the depositary fees, the depositary bank may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary fees from any distribution to be made to the ADS holder.

The depositary has agreed to reimburse us for a portion of certain expenses Videocon d2h incurs that are related to establishment and maintenance of the ADR program, including investor relations expenses. There are limits on the amount of expenses for which the depositary will reimburse us, but the amount of reimbursement available to us is not related to the amounts of fees the depositary collects from investors. Further, the depositary has agreed to reimburse us certain fees payable to the depositary by holders of ADSs. Neither the depositary nor Videocon d2h can determine the exact amount to be made available to us because (i) the number of ADSs that will be issued and outstanding, (ii) the level of service fees to be charged to holders of ADSs and (iii) Videocon d2h's reimbursable expenses related to the program are not known at this time.

Payment of Taxes

You will be responsible for any taxes or other governmental charges payable, or which become payable, on your ADSs or on the deposited securities represented by any of your ADSs. The depositary may refuse to register or transfer your ADSs or allow you to withdraw the deposited securities represented by your ADSs until such taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your ADSs to pay any taxes owed and you will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to you any net proceeds, or send to you any property, remaining after it has paid the taxes. You agree to indemnify us, the depositary, the custodian and each of Videocon d2h's and their respective agents, directors, employees and affiliates for, and hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any refund of taxes, reduced rate of withholding at source or other tax benefit obtained for you. Your obligations under this paragraph shall survive any transfer of ADRs, any surrender of ADRs and withdrawal of deposited securities or the termination of the deposit agreement.

Reclassifications, Recapitalizations and Mergers

If Videocon d2h:	Then:
Changes the nominal or par value of its equity shares	The cash, shares or other securities received by the depositary will become deposited securities.
Reclassifies, splits up or consolidates any of the deposited securities	Each ADS will automatically represent its equal share of the new deposited securities.
Distributes securities on the equity shares that are not distributed to you, or	The depositary may distribute some or all of the cash, shares or other securities it received.
Recapitalizes, reorganizes, merges, liquidates, sell all or substantially all of its assets, or take any similar action	It may also deliver new ADSs or ask you to surrender your outstanding ADRs in exchange for new ADRs identifying the new deposited securities.

Amendment and Termination

How may the deposit agreement be amended?

Videocon d2h may agree with the depository to amend the deposit agreement and the form of ADR without your consent for any reason. If an amendment adds or increases fees or charges, except for taxes and other governmental charges or expenses of the depository for registration fees, facsimile costs, delivery charges or similar items, including expenses incurred in connection with foreign exchange control regulations and other charges specifically payable by ADS holders under the deposit agreement, or materially prejudices a substantial existing right of ADS holders, it will not become effective for outstanding ADSs until 30 days after the depository notifies ADS holders of the amendment. *At the time an amendment becomes effective, you are considered, by continuing to hold your ADSs, to agree to the amendment and to be bound by the ADRs and the deposit agreement as amended.* If any new laws are adopted which would require the deposit agreement to be amended in order to comply therewith, Videocon d2h and the depository may amend the deposit agreement in accordance with such laws and such amendment may become effective before notice thereof is given to ADS holders.

How may the deposit agreement be terminated?

The depository will terminate the deposit agreement if Videocon d2h asks it to do so, in which case the depository will give notice to you at least 60 days prior to termination. The depository may also terminate the deposit agreement if the depository has told us that it would like to resign, or if Videocon d2h has removed the depository, and in either case Videocon d2h has not appointed a new depository within 90 days. In either such case, the depository must notify you at least 30 days before termination.

After termination, the depository and its agents will do the following under the deposit agreement but nothing else: collect distributions on the deposited securities, sell rights and other property and deliver equity shares and other deposited securities upon cancellation of ADSs after payment of any fees, charges, taxes or other governmental charges. Six months or more after the date of termination, the depository may sell any remaining deposited securities by public or private sale. After that, the depository will hold the money it received on the sale, as well as any other cash it is holding under the deposit agreement, for the *pro rata* benefit of the ADS holders that have not surrendered their ADSs. It will not invest the money and has no liability for interest. After such sale, the depository's only obligations will be to account for the money and other cash. After termination, Videocon d2h shall be discharged from all obligations under the deposit agreement except for its obligations to the depository thereunder.

Books of Depository

The depository will maintain ADS holder records at its depository office. You may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the Company, the ADRs and the deposit agreement.

The depository will maintain facilities in the Borough of Manhattan, The City of New York to record and process the issuance, cancellation, combination, split-up and transfer of ADRs.

These facilities may be closed at any time or from time to time when such action is deemed necessary or advisable by the depository in connection with the performance of its duties under the deposit agreement or at its reasonable written request.

Limitations on Obligations and Liability

Limits on Videocon d2h's Obligations and the Obligations of the Depository and the Custodian; Limits on Liability to Holders of ADSs

The deposit agreement expressly limits Videocon d2h's obligations and the obligations of the depository and the custodian. It also limits Videocon d2h's liability and the liability of the depository. The depository and the custodian:

- are only obligated to take the actions specifically set forth in the deposit agreement without gross negligence or willful misconduct;

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- are not liable if any of Videocon d2h or its respective controlling persons or agents are prevented or forbidden from, or subjected to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the deposit agreement and any ADR, by reason of any provision of any present or future law or regulation of the United States or any state thereof, India or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of the possible criminal or civil penalties or restraint, or by reason of any provision, present or future, of Videocon d2h's memorandum and articles of association or any provision of or governing any deposited securities, or by reason of any act of God or war or other circumstances beyond its control (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, revolutions, rebellions, explosions and computer failure);
- are not liable by reason of any exercise of, or failure to exercise, any discretion provided for in the deposit agreement or in Videocon d2h's memorandum and articles of association or provisions of or governing deposited securities;
- are not liable for any action or inaction of the depository, the custodian or us or their or Videocon d2h's respective controlling persons or agents in reliance upon the advice of or information from legal counsel, any person presenting equity shares for deposit or any other person believed by it in good faith to be competent to give such advice or information;
- are not liable for the inability of any holder of ADSs to benefit from any distribution on deposited securities that is not made available to holders of ADSs under the terms of the deposit agreement;
- are not liable for any indirect, special, consequential or punitive damages for any breach of the terms of the deposit agreement, or otherwise;
- may rely upon any documents Videocon d2h believes in good faith to be genuine and to have been signed or presented by the proper party;
- disclaim any liability for any action or inaction or inaction of any of Videocon d2h or its respective controlling persons or agents in reliance upon the advice of or information from legal counsel, accountants, any person presenting equity shares for deposit, holders and beneficial owners (or authorized representatives) of ADSs, or any person believed in good faith to be competent to give such advice or information; and
- disclaim any liability for inability of any holder to benefit from any distribution, offering, right or other benefit made available to holders of deposited securities but not made available to holders of ADS.

The depository and any of its agents also disclaim any liability (i) for any failure to carry out any instructions to vote, the manner in which any vote is cast or the effect of any vote or failure to determine that any distribution or action may be lawful or reasonably practicable or for allowing any rights to lapse in accordance with the provisions of the deposit agreement, (ii) the failure or timeliness of any notice from us, the content of any information submitted to it by us for distribution to you or for any inaccuracy of any translation thereof, (iii) any investment risk associated with the acquisition of an interest in the deposited securities, the validity or worth of the deposited securities, the credit-worthiness of any third party, (iv) for any tax consequences that may result from ownership of ADSs, equity shares or deposited securities, or (v) for any acts or omissions made by a successor depository whether in connection with a previous act or omission of the depository or in connection with any matter arising wholly after the removal or resignation of the depository, provided that in connection with the issue out of which such potential liability arises the depository performed its obligations without gross negligence or willful misconduct while it acted as depository.

In addition, the deposit agreement provides that each party to the deposit agreement (including each holder, beneficial owner and holder of interests in the ADRs) irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any lawsuit or proceeding against the depository or Videocon d2h's company related to its shares, the ADSs or the deposit agreement.

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In the deposit agreement, Videocon d2h and the depositary agree to indemnify each other under certain circumstances.

Requirements for Depositary Actions

Before the depositary will issue, deliver or register a transfer of an ADS, split-up, subdivide or combine ADSs, make a distribution on an ADS, or permit withdrawal of equity shares, the depositary may require:

- payment of stock transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any equity shares or other deposited securities and payment of the applicable fees, expenses and charges of the depositary;
- satisfactory proof of the identity and genuineness of any signature or any other matters contemplated in the deposit agreement; and
- compliance with (A) any laws or governmental regulations relating to the execution and delivery of ADRs or ADSs or to the withdrawal or delivery of deposited securities and (B) such reasonable regulations and procedures as the depositary may establish, from time to time, consistent with the deposit agreement and applicable laws, including presentation of transfer documents.

The depositary may refuse to issue and deliver ADSs or register transfers of ADSs generally when the register of the depositary or Videocon d2h's transfer books are closed or at any time if the depositary or Videocon d2h determines that it is necessary or advisable to do so.

Your Right to Receive the Shares Underlying Your ADSs

You have the right to cancel your ADSs and withdraw the underlying equity shares at any time except:

- when temporary delays arise because: (1) the depositary has closed its transfer books or Videocon d2h has closed its transfer books; (2) the transfer of equity shares is blocked to permit voting at a shareholders' meeting; or (3) Videocon d2h is paying a dividend on its equity shares;
- when you owe money to pay fees, taxes and similar charges;
- when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of equity shares or other deposited securities, or
- other circumstances specifically contemplated by Section I.A.(l) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time); or
- for any other reason if the depositary or Videocon d2h determine, in good faith, that it is necessary or advisable to prohibit withdrawals.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

Pre-release of ADSs

The deposit agreement permits the depositary to deliver ADSs before deposit of the underlying equity shares. This is called a pre-release of the ADSs. The depositary may also deliver equity shares upon cancellation of pre-released ADSs (even if the ADSs are cancelled before the pre-release transaction has been closed out). A pre-release is closed out as soon as the underlying equity shares are delivered to the depositary. The depositary may receive ADSs instead of equity shares to close out a pre-release. The depositary may pre-release ADSs only under the following conditions: (1) before or at the time of the pre-release, the person to whom the pre-release is being made represents to the depositary in writing that it or its customer (a) owns the equity shares or ADSs to be deposited, (b) agrees to indicate the depositary as owner of such equity shares or ADSs in its records and to hold such equity shares or ADSs in trust for the depositary until such equity shares or ADSs are delivered to the depositary or the custodian, (c) unconditionally guarantees to deliver such equity shares or ADSs to the depositary or the custodian, as the case may be, and (d) agrees to any additional restrictions or requirements that the depositary deems appropriate; (2) the pre-release is fully collateralized with cash, United States government securities or other collateral that the depositary considers appropriate; and (3) the depositary must be able to close out the pre-release on not more than five business days' notice. Each pre-release is subject to further indemnities and credit regulations as the depositary considers appropriate. In addition, the depositary will normally limit the

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number of ADSs that may be outstanding at any time as a result of pre-release to 30% of the aggregate number of ADSs then outstanding, although the depository may disregard the limit from time to time, if it thinks it is appropriate to do so.

Direct Registration System

In the deposit agreement, all parties to the deposit agreement acknowledge that the DRS and Profile Modification System, or Profile, will apply to uncertificated ADSs upon acceptance thereof to DRS by DTC. DRS is the system administered by DTC pursuant to which the depository may register the ownership of uncertificated ADSs, which ownership shall be evidenced by periodic statements issued by the depository to the ADS holders entitled thereto. Profile is a required feature of DRS which allows a DTC participant, claiming to act on behalf of an ADS holder, to direct the depository to register a transfer of those ADSs to DTC or its nominee and to deliver those ADSs to the DTC account of that DTC participant without receipt by the depository of prior authorization from the ADS holder to register such transfer.

SHARES ELIGIBLE FOR FUTURE SALES

Upon completion of the Transaction it is expected that Videocon d2h will have between 20,830,000 and 27,373,000 ADSs outstanding, representing between approximately 33.42% and 38.42% of Videocon d2h's issued share capital. All of the ADSs issued in connection with the Transaction will be freely transferable by persons other than by Videocon d2h's "affiliates" or Silver Eagle's "affiliates" without restriction or further registration under the Securities Act. Sales of substantial amounts of Videocon d2h's ADSs in the public market could adversely affect prevailing market prices of Videocon d2h ADSs. Prior to the Transaction, there has been no public market for Videocon d2h's ADSs. Videocon d2h intends to apply for listing of the Videocon d2h ADSs on the NASDAQ Global Market, but Videocon d2h cannot assure you that a regular trading market will develop in the ADSs.

Lock-up Agreements

Shareholder Lockup, Tag Along and Voting Agreement

Pursuant to the Shareholder Lockup, Tag Along and Voting Agreement, shareholders of Videocon d2h who are parties to the Shareholder Lockup, Tag Along and Voting Agreement will covenant that during the Lock-up Period (as defined below), subject to certain exceptions, they will not (i) sell, offer to sell, contract or agree to contract to sell, hypothecate, pledge, grant any option or purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act with respect to any portion of its equity securities in Videocon d2h, (ii) enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of any of such securities, whether such transaction is to be settled by delivery of such shares or other securities, in cash or otherwise, or (iii) publicly announce any intention to effect any transaction specified in (i) or (ii) above. The Lock-up Period is the period beginning on the closing date of the Contribution Agreement and ending on the earlier of the date: (a) that is 12 months following the closing date or earlier if (x) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 125% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years from the closing date, after which transfers of 50% of the equity securities will be permitted (pro rata among the shareholders who are parties to the Shareholder Lockup and Voting Agreement), or (y) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 150% of the price per Videocon d2h ADS issued to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years from the closing date, after which transfers of the remaining 50% of the equity securities will be permitted (pro rata among the shareholders who are parties to the Shareholder Lockup and Voting Agreement), (b) Videocon d2h consummates a liquidation, merger, stock exchange or other similar transaction that results in all of the equityholders of Videocon d2h (including the holders of the Videocon d2h ADSs) having the right to exchange their equity securities for cash, securities or other property and (c) Videocon d2h consummates an initial public offering of its Equity Shares in India with such shares listed on a recognized stock exchange in India.

If the shareholders who are parties to the Shareholder Lockup, Tag Along and Voting Agreement propose to engage in a transfer of at least 50% (on a fully-diluted basis) of the outstanding share capital of Videocon d2h to a strategic purchaser (a "control sale"), as a condition to such control sale, such selling shareholders will require such strategic purchaser to make a tender offer to purchase, in accordance with applicable securities laws, rules and regulations, and at the same price per equity share underlying the Videocon d2h ADSs from the holders of Videocon d2h ADSs equal to: (i) the number of equity shares to be sold by such shareholders to such strategic purchaser divided by the total number of equity shares held by such

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shareholders; multiplied by (ii) the number of outstanding Videocon d2h ADSs. This obligation will terminate upon such shareholders ceasing to own 50% (on a fully-diluted basis) of the outstanding share capital of Videocon d2h.

To the extent permitted by applicable laws, rules and regulations, each of the shareholders who are parties to the Shareholder Lockup, Tag Along and Voting Agreement agrees to vote all equity shares owned by such shareholder, or over which such shareholder has voting control, to ensure that each of Harry E. Sloan and Jeff Sagansky: (i) shall be elected to the Board of Directors of Videocon d2h for a period of no less than 3 years following the closing date; (ii) may not be removed other than for cause; and (iii) shall be replaced by such director's respective alternate director or other designee upon any vacancies created by resignation, removal (other than for cause) or death.

Sponsor Lockup Agreement

Pursuant to the Sponsor Lockup Agreement, the Sponsor will covenant that during the Lock-up Period (as defined below), subject to certain customary exceptions, it will not (i) sell, offer to sell, contract or agree to contract to sell, hypothecate, pledge, grant any option or purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act with respect to any portion of its Videocon d2h ADSs issued pursuant to the Contribution Agreement, (ii) enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of any of the Videocon d2h ADSs, whether such transaction is to be settled by delivery of Videocon d2h ADSs or other securities, in cash or otherwise, or (iii) publicly announce any intention to effect any transaction specified in (i) or (ii) above. The Lock-up Period is the period beginning on the closing date of the Contribution Agreement and ending on the earlier of the date: (a) that is 12 months following the closing date or earlier if (x) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 125% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years from the closing date, after which transfers of 50% of the Videocon d2h ADSs will be permitted, or (y) the last sales price of Videocon d2h ADSs on the Nasdaq Stock Market (converted into Indian rupees on each such date at the Indian Rupee/U.S. Dollar Exchange Rate on such day) equals or exceeds 150% of the price per Videocon d2h ADS to be issued to the Silver Eagle stockholders (converted into Indian rupees at the Indian Rupee/U.S. Dollar Exchange Rate prevailing on the closing date of the Contribution Agreement) (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period within three years from the closing date, after which transfers of the remaining 50% of the Videocon d2h ADSs will be permitted), (b) Videocon d2h consummates a liquidation, merger, stock exchange or other similar transaction that results in all of the equityholders of Videocon d2h (including the holders of the Videocon d2h ADSs) having the right to exchange their equity securities for cash, securities or other property and (c) Videocon d2h consummates an initial public offering of its Equity Shares in India with such shares listed on a recognized stock exchange in India. In addition, the Sponsor shall also be permitted to transfer the Videocon d2h ADSs to Videocon d2h in connection with any redemption, repurchase, acquisition, exchange, tender offer or otherwise of Videocon d2h ADSs in the event that the holders of the Videocon d2h ADSs (other than the Sponsor) fail to sell a sufficient number of Videocon d2h ADSs in connection with any such redemption, repurchase, acquisition, exchange, tender offer or other similar transaction.

Other than the Transaction and as disclosed under "*Selling Shareholders*," Videocon d2h is not aware of any plans by any significant shareholders to dispose of significant numbers of Videocon d2h ADSs or equity shares. However, one or more existing shareholders or owners of securities convertible or exchangeable into or exercisable for Videocon d2h ADSs or equity shares may dispose of significant numbers of Videocon ADSs or equity shares in the future. Videocon d2h cannot predict what effect, if any, future sales of Videocon d2h ADSs or equity shares, or the availability of ADSs or equity shares for future sale, will have on the trading

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price of Videocon d2h ADSs from time to time. Sales of substantial amounts of Videocon d2h ADSs or equity shares in the public market, or the perception that these sales could occur, could adversely affect the trading price of Videocon d2h ADSs.

Regulation S

Regulation S under the Securities Act provides an exemption from registration requirements in the United States for offers and sales of securities that occur outside the United States. Rule 903 of Regulation S provides the conditions to the exemption for a sale by an issuer, a distributor, their respective affiliates or anyone acting on their behalf, while Rule 904 of Regulation S provides the conditions to the exemption for a resale by persons other than those covered by Rule 903. In each case, any sale must be completed in an offshore transaction, as that term is defined in Regulation S, and no directed selling efforts, as that term is defined in Regulation S, may be made in the United States.

Videocon d2h is a foreign issuer as defined in Regulation S. As a foreign issuer, securities that Videocon d2h sells outside the United States pursuant to Regulation S are not considered to be restricted securities under the Securities Act, and, subject to the offering restrictions imposed by Rule 903, are freely tradable without registration or restrictions under the Securities Act, unless the securities are held by Videocon d2h's affiliates. Generally, subject to certain limitations, holders of Videocon d2h's restricted shares who are not affiliates of Videocon d2h or who are affiliates of Videocon d2h solely by virtue of their status as an officer or director of Videocon d2h may, under Regulation S, resell their restricted shares in an "offshore transaction" if none of the seller, its affiliate nor any person acting on their behalf engages in directed selling efforts in the United States and, in the case of a sale of Videocon d2h restricted shares by an officer or director who is an affiliate of Videocon d2h solely by virtue of holding such position, no selling commission, fee or other remuneration is paid in connection with the offer or sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. Additional restrictions are applicable to a holder of Videocon d2h restricted shares who will be an affiliate of Videocon d2h other than by virtue of his or her status as an officer or director of Videocon d2h.

Videocon d2h is not claiming the potential exemption offered by Regulation S in connection with the offering of newly issued shares outside the United States and will register all of the newly issued shares under the Securities Act.

Rule 144

All of Videocon d2h's equity shares that will be outstanding upon the completion of the Transaction, other than those equity shares sold in connection with the Transaction, are "restricted securities" as that term is defined in Rule 144 under the Securities Act and may be sold publicly in the United States only if they are subject to an effective registration statement under the Securities Act or pursuant to an exemption from the registration requirement such as those provided by Rule 144 and Rule 701 promulgated under the Securities Act. In general, beginning 90 days after the date of this proxy statement/prospectus, a person (or persons whose shares are aggregated) who, at the time of a sale, is not, and has not been during the three months preceding the sale, an affiliate of Videocon d2h and has beneficially owned Videocon d2h's restricted securities for at least six months will be entitled to sell the restricted securities without registration under the Securities Act, subject only to the availability of current public information about Videocon d2h. Persons who are affiliates of Videocon d2h and have beneficially owned Videocon d2h's restricted securities for at least six months may sell a number of restricted securities within any three-month period that does not exceed the greater of the following:

- 1% of the then outstanding equity shares of the same class, in the form of ADSs or otherwise, which, immediately after the Transaction, will equal four equity shares; or
- the average weekly trading volume of Videocon d2h's equity shares of the same class, in the form of ADSs or otherwise, during the four calendar weeks preceding the date on which notice of the sale is filed with the SEC.

Sales by affiliates of Videocon d2h under Rule 144 are also subject to certain requirements relating to manner of sale, notice and the availability of current public information about Videocon d2h.

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Assuming there is no change to Videocon d2h's register of members between the date of this proxy statement/prospectus and the expiration of the lock-up agreements (other than to give effect to the Transaction), Videocon d2h expects that, as of the date of expiration of the lock-up agreements, 242 million equity shares will be available for sale under Rule 144 by Videocon d2h's current affiliates (subject to volume and manner of sale limitations under Rule 144).

Rule 701

In general, under Rule 701 of the Securities Act as currently in effect, each of Videocon d2h's employees, consultants or advisors who purchases equity shares from Videocon d2h in connection with a compensatory stock plan or other written agreement executed prior to the completion of the Transaction is eligible to resell those equity shares in reliance on Rule 144, but without compliance with some of the restrictions, including the holding period, contained in Rule 144. However, the Rule 701 shares would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.

Registration Rights

Registration Rights Arrangements with the Principal Shareholders

Videocon d2h intends to enter into a registration rights agreement with its Principal Shareholders granting such holders certain demand, piggy-back and shelf registration rights. The offer and sale of any Equity Shares by the Principal Shareholders is subject to terms of the Lock-Up Agreement between Videocon d2h and such holders.

Reoffer/Resale Rights and Registration Rights Relating to the Founders

For a discussion of the reoffer/resale rights and registration rights relating to the Founders or Founder Shares, see "*Certain Relationships and Related Transactions*".

BENEFICIAL OWNERSHIP OF SECURITIES

The following table sets forth information with respect to the beneficial ownership of Videocon d2h's equity shares as of March 2, 2015, the record date for the special meeting of stockholders, and as adjusted to reflect the issuance of Videocon d2h equity shares which will be represented by the Videocon d2h ADSs, held by:

- each of Videocon d2h's directors and executive officers who own beneficially more than 1.0% of Videocon d2h's outstanding equity share capital; and
- each person known to Videocon d2h to own beneficially more than 5.0% of Videocon d2h's outstanding equity share capital.

Each of Videocon d2h's shareholders is entitled to one vote on all matters that require a vote of shareholders, and none of its shareholders has any contractual or other special voting rights. Videocon d2h is not aware of any arrangement that may, at a subsequent date, result in a change of control of Videocon d2h. As of March 2, 2015, Videocon d2h did not have any U.S. record holders of its equity shares.

Name of Beneficial Owner	Pre-Transaction		Post-Transaction ⁽¹⁾		
	Number	Percent	Number	Percent (assuming no redemptions)	Percent (assuming maximum redemptions)
Directors:					
Saurabh Pradipkumar Dhoot	149,990,000	61.98	149,990,000	38.2%	41.3%
Shivratan Jeetmal Taparia	—	—	—	—	—
Pradeep Ramwilas Rathi	—	—	—	—	—
Nabankur Gupta	—	—	—	—	—
Karunchandra Srivastava	—	—	—	—	—
Harry E. Sloan ⁽²⁾	—	—	19,908,000	5.1%	5.5%
Jeff Sagansky ⁽²⁾	—	—	19,908,000	5.1%	5.5%
Executive Officers:					
Anil Khera	—	—	—	—	—
Rohit Jain	—	—	—	—	—
Himanshu Patil	—	—	—	—	—
Avanti Kumar Kanthaliya	—	—	—	—	—
Siddharth Kabra	—	—	—	—	—
Principal Shareholders (more than 5%):					
Saurabh Pradipkumar Dhoot ⁽³⁾	149,990,000	61.98	149,990,000	38.2%	41.3%
Shree Dhoot Trading And Agencies Limited ⁽⁴⁾	45,980,000	19.00	45,980,000	11.7%	12.6%
Dome-Bell Electronics India Private Limited ⁽⁵⁾	45,980,000	19.00	45,980,000	11.7%	12.6%
Global Eagle Acquisition LLC ⁽²⁾	—	—	19,510,000	5.0%	5.4%

(1) Held in the form of equity shares or equity shares represented by ADSs.

(2) Messrs. Sloan and Sagansky are members of Global Eagle Acquisition LLC. Includes 19,510,000 shares held by Global Eagle Acquisition LLC, and Messrs. Sloan and Sagansky share voting and dispositive control over the shares. Messrs. Sloan and Sagansky disclaim beneficial ownership of these shares except to the extent of their pecuniary interest therein.

(3) Consists of 45,980,000 equity shares held by each of Synergy Appliances Private Limited, Solitaire Appliances Private Limited and Greenfield Appliances Private Limited and 12,050,000 equity shares held by Platinum Appliances Private Limited. A significant majority of the shareholding in each of these entities is owned (directly or indirectly) by Mr. Saurabh Pradipkumar Dhoot and he is deemed to

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beneficially own all shares owned by these entities, including more than 5.00% beneficially owned by Mrs. Pooja A. Dhoot, a Dhoot family member, on account of minority shareholding in these entities.

- (4) Shree Dhoot Trading And Agencies Limited is owned and controlled by Auto Cars, a partnership firm, the partners of which are members of the Dhoot family, specifically, Smt. Kesharbai Dhoot, Mrs. Ramabai V. Dhoot, Mrs. Sushma R. Dhoot, Mrs. Nalinibai P. Dhoot and Mr. Akshay R. Dhoot, along with Mr. Venugopal N. Dhoot [(including as the 'karta' of a hindu undivided family)]. As a result, these individuals collectively are deemed to be beneficial owners of shares owned by Shree Dhoot Trading And Agencies Limited.
- (5) Dome-Bell Electronics India Private Limited is ultimately owned and controlled by Mr. Venugopal N. Dhoot, Mr. Rajkumar N. Dhoot and Mr. Pradipkumar N. Dhoot, through various entities, and as a result these individuals collectively are deemed to be beneficial owners of shares owned by Dome-Bell Electronics India Private Limited.

SELLING SHAREHOLDERS

This proxy statement/prospectus registers under the Securities Act the possible resale of Videocon d2h ADSs that may be received in the Transaction by the selling shareholders listed in the table below. The table below sets forth information, based upon written representations supplied to Videocon d2h, by the selling shareholders identified in the table, with respect to such selling shareholders' beneficial ownership of Videocon d2h ADSs as of the date hereof.

Immediately prior to consummation of the Transaction, the selling shareholders identified below are expected to hold shares of Silver Eagle's common stock. The maximum number of Videocon d2h ADSs that Global Eagle Acquisition LLC and Messrs. Sloan and Sagansky would beneficially hold immediately following the Transaction is 5,235,000.

Because each such selling shareholder may, from time to time, sell, transfer or otherwise dispose of all, some or none of the Videocon d2h ADSs covered by this proxy statement/prospectus, Videocon d2h cannot determine the number of such ADSs that will be sold, transferred or otherwise disposed of by each such selling shareholder, or the amount or percentage of the Videocon d2h ADSs that will be beneficially held by each such selling shareholder upon termination of the offering. For purposes of the table below, we assume that each selling shareholder will sell all of the Videocon d2h ADSs expected to be received by him or it in the Transaction and covered by this proxy statement/prospectus.

Unless otherwise described below, none of the selling shareholders nor any of their affiliates has held any position or office with or otherwise had any material relationship with either Silver Eagle or Videocon d2h or any of their respective affiliates during the three years prior to the date of this proxy statement/prospectus.

Name of Selling Shareholder ⁽²⁾	Held Prior to the Offering		Received in Transaction	Held After the Offering ⁽¹⁾		
	Number of Videocon d2h ADSs beneficially owned	Percent of Videocon d2h ADSs outstanding	Maximum number of Videocon d2h ADSs received in the Transaction	Number of Videocon d2h ADSs beneficially owned	Percent of Videocon d2h ADSs outstanding (assuming no redemptions)	Percent of Videocon d2h ADSs outstanding (assuming maximum redemptions)
Global Eagle Acquisition LLC ⁽³⁾ (4)	0	*	4,877,500	4,877,500	12.9%	16.1%
Harry E. Sloan ⁽³⁾⁽⁵⁾	0	*	4,977,000	4,977,000	13.2%	16.4%
Jeff Sagansky ⁽³⁾⁽⁶⁾	0	*	4,977,000	4,977,000	13.2%	16.4%
James A. Graf	0	*	242,500	242,500	*	*
James M. McNamara	0	*	25,000	25,000	*	*
Ernest Del	0	*	25,000	25,000	*	*
Eli Baker	0	*	25,000	25,000	*	*
Jay Itzkowitz	0	*	25,000	25,000	*	*

* Represents less than one percent of the total number of Videocon d2h ADSs outstanding as of the date of this proxy statement/prospectus.

** Represents less than one percent of the total number of Videocon d2h ADSs expected to be outstanding upon completion of the Transaction.

*** Represents less than one percent of the total number of Videocon d2h ADSs expected to be outstanding upon completion of the Transaction.

(1) Assumes all Videocon d2h ADSs, the resale of which is being registered hereby, are sold by the selling shareholders.

(2) The business address of each of the following is 1450 2nd Street, Suite 247, Santa Monica, CA 90401.

(3) Includes 4,877,500 Videocon d2h ADSs issuable in the Transaction in respect of 4,877,500 shares of Silver Eagle common stock held by Global Eagle Acquisition LLC as of the date hereof. Messrs. Sloan and Sagansky are members of Global Eagle Acquisition LLC. The shares of Silver Eagle common stock

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are owned by Global Eagle Acquisition LLC, and Messrs. Sloan and Sagansky share voting and dispositive control over the shares. Messrs. Sloan and Sagansky disclaim beneficial ownership of these shares except to the extent of their pecuniary interest therein.

- (4) Prior to Silver Eagle's initial public offering, Silver Eagle was a wholly-owned subsidiary of Global Eagle Acquisition LLC. Global Eagle Acquisition LLC acted as the sponsor of Silver Eagle's initial public offering and, since the closing of such offering, has directly held 18.8% of the shares of Silver Eagle's outstanding common stock. As a result, Global Eagle Acquisition LLC may be deemed to have a material relationship with Silver Eagle.
- (5) Harry E. Sloan has been the Chairman and Chief Executive Officer of Silver Eagle since April 11, 2013. Mr. Sloan also is the brother-in-law of James A. Graf, who has served as Silver Eagle's Vice President, Chief Financial Officer, Treasurer and Secretary since April 11, 2013. In addition, Mr. Sloan is a member of Global Eagle Acquisition LLC and shares voting and dispositive control over the shares of Silver Eagle common stock held by Global Eagle Acquisition LLC (see notes (3) and (4) above). As a result, Mr. Sloan may be deemed to have a material relationship with Silver Eagle. Mr. Sloan will also be appointed as a director of Videocon d2h following the Transaction. As a result, Mr. Sloan may be deemed to have a material relationship with Videocon d2h as well.
- (6) Jeff Sagansky has been the President of Silver Eagle since April 11, 2013. In addition, Mr. Sagansky is a member of Global Eagle Acquisition LLC and shares voting and dispositive control over the shares of Silver Eagle common stock held by Global Eagle Acquisition LLC (see notes (3) and (4) above). As a result, Mr. Sagansky may be deemed to have a material relationship with Silver Eagle. Mr. Sagansky will also be appointed as a director of Videocon d2h following the Transaction. As a result, Mr. Sagansky may be deemed to have a material relationship with Videocon d2h as well.

The resales of the Videocon d2h ADSs which the selling shareholders listed in the table above may receive in the Transaction are being registered to permit public secondary trading of these securities by the holders of such securities from time to time. Registration of the ADSs does not mean that such securities necessarily will be offered or sold. Videocon d2h will not receive any proceeds from any such offer or sale by the selling shareholders.

The selling shareholders may sell such Videocon d2h ADSs from time to time directly to purchasers or through underwriters, broker-dealers or agents, at fixed prices, at prevailing market prices at the time of sale, at varying prices or negotiated prices, by a variety of methods, including the following:

- in negotiated transactions, or in trading markets for Videocon d2h ADSs;
- in the trading markets for Videocon d2h ADSs;
- in the over-the-counter market or on any national securities exchange on which Videocon d2h ADSs may be listed or quoted at the time of sale;
- in transactions otherwise than on such exchanges or in the over-the-counter market;
- through a combination of any such methods; or
- through any other method permitted under applicable law.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Silver Eagle

Founder Shares

In April 2013, the Sponsor and Dennis A. Miller purchased 10,000,000 founder shares for \$25,000, or \$0.0025 per share. On June 18, 2013, the Sponsor and Mr. Miller contributed, on a pro rata basis, an aggregate of 2,812,500 founder shares to the Company at no cost for cancellation, resulting in the Sponsor and Mr. Miller owning an aggregate of 7,187,500 founder shares. On July 10, 2013, the Sponsor and Mr. Miller transferred 35,000 founder shares on a pro rata basis to each of James M. McNamara and Ernest Del, each of whom paid a purchase price of \$175 for their respective shares and agreed to serve on the Company's board of directors upon the closing of Silver Eagle's initial public offering.

On July 22, 2013, in connection with the increase of the size of Silver Eagle's initial public offering, Silver Eagle effected a stock dividend of 0.2 shares for each outstanding share of common stock, resulting in Silver Eagle's founders holding an aggregate of 8,625,000 shares of Silver Eagle common stock. Each of Silver Eagle's independent directors thereafter transferred 6,650 shares to the Sponsor and 350 shares to Mr. Miller.

On July 30, 2013, the Sponsor forfeited 475,000 shares and Dennis A. Miller forfeited 25,000 shares of common stock in connection with the partial exercise of the underwriters' over-allotment option, so that the founders, consisting of the Sponsor, Mr. Miller and the executive officers and independent directors, own 20.0% of the Silver Eagle's issued and outstanding shares.

Rights. The founder shares are identical to the public shares except that (i) the founder shares are subject to certain transfer restrictions, as described herein, and (ii) the founders have agreed to waive their redemption rights in connection with the Transaction and with respect to the founder shares and any public shares they may purchase, and to waive their redemption rights with respect to the founder shares if Silver Eagle fails to complete an initial business combination within the required timeframe.

Voting. The Initial Stockholders have agreed to vote their founder shares and any public shares purchased during or after Silver Eagle's initial public offering in favor of the Transaction.

Liquidation. Although the founders and their permitted transferees have waived their redemption rights with respect to the founder shares if Silver Eagle fails to complete a business combination within the prescribed time frame, they will be entitled to redemption rights with respect to any public shares that they may own.

Private Placement Warrants

The Sponsor and Dennis A. Miller also purchased from Silver Eagle an aggregate of 15,000,000 private placement warrants at a price of \$0.50 per warrant (a purchase price of \$7.5 million), in a private placement that occurred simultaneously with the completion of Silver Eagle's initial public offering. Each private placement warrant entitles the holder to purchase one-half of one share of Silver Eagle common stock at \$5.75 per half share. If the Transaction is consummated, then the Videocon d2h ADSs issued to the holders of the private placement warrants will be subject to a six-month lockup period.

If the Company does not complete a business combination, the proceeds from the sale of the private placement warrants will be part of the liquidating distribution to the public stockholders and the private placement warrants will expire worthless.

Reoffer/Resale Rights

Under the Contribution Agreement, Videocon d2h has agreed to take all necessary action to cause the registration statement of which this proxy statement/prospectus forms a part to include a reoffer prospectus relating to the offer and sale by from time to time, separately or together, by any persons (including their donees, pledgees, assignees, transferees or other successors) who may be deemed to be affiliates of Silver Eagle pursuant to Rule 145(c) under the Securities Act of any Equity Shares (represented by ADSs) received or to be received by them pursuant to the Transaction. Videocon d2h has also agreed that, prior to such time as the registration statement/prospectus ceases to be effective under the Securities Act or the prospectus contained therein relating to such Equity Shares ceases to be current, it will file with the SEC a post-effective

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amendment to this registration statement on Form F-4, or a new registration statement, and take all such other actions necessary to ensure that there is an effective registration statement containing a prospectus that remains current (and to qualify for sale under required U.S. state securities laws) covering the offer and sale of the Equity Shares.

Registration Rights Arrangements with Holders of Founders Shares

In addition, Videocon d2h, Silver Eagle and the holders of the founder shares of Silver Eagle have agreed to enter into a registration rights agreement as of the closing of Transaction which includes the foregoing resale rights, piggyback registration rights, as well as other customary rights and provisions (including for the payment by such security holders of their related fees and expenses (including underwriting commissions) associated with any such registration, including underwritten takedowns). Videocon d2h, Silver Eagle and the holders of the Founders Shares have agreed that the fees, costs, expenses, commissions or other such charges related to the reoffer/resale rights provided to affiliates of Silver Eagle described in the immediately preceding paragraph will be borne by such Silver Eagle security holders and not by Videocon d2h. In the event that both Videocon d2h and affiliates of Silver Eagle register and sell any securities in an offering covered by the registration rights agreement, the fees, costs, expenses and other such charges will be shared among them on a pro rata basis based on the number of Equity Shares sold by each seller. The obligation of Videocon d2h to provide registration rights to the affiliates of Silver Eagle will terminate three years from the closing date of the Transaction.

The offer and sale of any equity shares by the holders of the founders shares is subject to the Sponsor Lock-Up Agreement between Videocon d2h and the Sponsor.

Administrative Services

Silver Eagle has agreed to pay Mr. Graf, or an entity owned and controlled by him, a monthly consulting fee of \$15,000 plus, in the event that Mr. Graf is no longer receiving medical insurance from an employer, an additional amount per month to reimburse Mr. Graf for the purchase of such insurance, for services prior to the completion of the Transaction, including preparation of Silver Eagle's financial statements, SEC filings, financial due diligence of targets for a business combination and negotiations of an agreement for a business combination. Additionally, Silver Eagle will reimburse the Sponsor for office space, secretarial and administrative services provided to members of Silver Eagle's management team by the Sponsor, members of the Sponsor, and its management team or their affiliates in an amount not to exceed \$10,000 per month in the event such space and/or services are utilized and Silver Eagle does not pay a third party directly for such services. Upon completion of the Transaction, Silver Eagle will cease paying these monthly fees. In addition, in order to finance transaction costs in connection with an intended initial business combination, the Sponsor or an affiliate of the Sponsor or certain of Silver Eagle's officers and directors may, but are not obligated to, loan Silver Eagle funds as may be required. If the Transaction is completed, Silver Eagle would repay such loaned amounts. In the event that the Transaction is not completed, Silver Eagle may use a portion of the working capital held outside the trust account to repay such loaned amounts, but no proceeds from the trust account would be used for such repayment. The terms of such loans by Silver Eagle officers and directors, if any, have not been determined and no written agreements exist with respect to such loans.

Working Capital Loan

On November 12, 2014, Silver Eagle issued a convertible promissory note (the "Convertible Note") to the Sponsor that provides for the Sponsor to advance to Silver Eagle, from time to time, up to \$1,000,000 for ongoing expenses. The Convertible Note is non-interest bearing and is payable on the earlier of (i) the completion of a Business Combination by the Company or (ii) July 30, 2015. At the option of the Sponsor, any amounts outstanding under the Convertible Note may be converted into warrants to purchase shares of common stock of the Company at a conversion price of \$0.50 per warrant. Each warrant will entitle the Sponsor to purchase one-half of one share of common stock of the Company at an exercise price of \$5.75 per half share (\$11.50 per whole share). Each warrant will contain other terms identical to the terms contained in the private placement warrants previously issued to the Sponsor. As of November 12, 2014, Silver Eagle had drawn \$300,000 upon the Convertible Note.

Videocon d2h Interests of Management in Certain Transactions

Videocon d2h entered into an agreement dated July 21, 2008 with Mr. Saurabh Pradipkumar Dhoot, its Executive Director, whereby it was authorized to obtain registration of the trademarks “d2h”, “D2H” and “DIRECT HAI CORRECT HAI” in its name. During fiscal year 2013, Videocon d2h paid Rs.0.05 million as royalty to Mr. Saurabh Pradipkumar Dhoot. However, subsequently Videocon d2h obtained registrations for these trademarks in its own name and accordingly no further royalty is payable to Mr. Saurabh Pradipkumar Dhoot.

Videocon d2h entered into a leave and license agreement dated August 1, 2010 with Mrs. Shelly Anil Khera, the wife of Mr. Anil Khera, Videocon d2h’s Chief Executive Officer, for the license to use the premises located at Borivali, Mumbai for commercial purposes. During the fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014, Videocon d2h paid Mrs. Shelly Anil Khera rent amounting to Rs.1.22 million, Rs.1.15 million and Rs.0.61 million, respectively.

Shivratan Jeetmal Taparia is an Independent Director of Videocon d2h and has served on the board of directors of Videocon d2h since October 11, 2012. Mr. Taparia also sits on the board of directors of The Supreme Industries Limited, one of the suppliers of some accessories for multi-dwelling units to Videocon d2h. Transaction amounts between Videocon d2h and The Supreme Industries Limited were Rs.2.62 million, Rs.0.50 million for fiscal years 2013 and 2014 respectively, and Rs.0.52 million for the interim period ended September 30, 2014.

TRANSACTIONS WITH RELATED PARTIES

Purchase of components of consumer premises equipment and spares

Videocon d2h purchases a majority of the set-top boxes, outdoor units and its accessories and spares from Trend Electronics Limited, pursuant to an agreement dated March 11, 2011, for a price to be negotiated from time to time, either through purchase orders or through correspondence. Videocon d2h made purchases amounting to Rs.6,753.48 million, Rs.5,832.31 million and Rs.3,583.61 million from Trend Electronics Limited during fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014, respectively. With a view to protect its capital expenditure plans against potential foreign currency fluctuations and availing itself of a discount on bulk procurement of set-top boxes from Trend Electronics Limited, Videocon d2h entered into a memorandum of understanding with Trend Electronics Limited on February 23, 2015, whereby Trend Electronics Limited has agreed to provide an average price reduction of Rs. 60 per set-top box (up to 3 million set-top boxes) purchased by Videocon d2h from Trend Electronics Limited during fiscal year 2016. In consideration of this price reduction, Videocon d2h has agreed to create a lien over a fixed deposit of Rs. 2,000 million in favor of Trend Electronics Limited or its nominees.

During fiscal year 2014, Videocon d2h purchased certain set-top boxes and spares from KAIL Limited for an aggregate amount of Rs.52.94 million.

Videocon d2h purchases spares and parts to be used for maintenance of the consumer premises equipment from time to time from certain entities forming part of the Videocon Group. Videocon d2h made such purchases from Techno Electronics Limited during the fiscal year 2013 amounting to Rs.0.34 million; from Tekcare India Private Limited during the fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014 amounting to Rs.0.13 million, Rs.1.92 million and Rs.0.78 million, respectively; and from Videocon Industries Limited during the fiscal year 2013, fiscal 2014 and the six months ended September 30, 2014 amounting to Rs.16.21 million, Rs.7.56 million and Rs.7.40 million, respectively.

Expenses towards business support, IT support, call centre and other services

Videocon d2h entered into an agreement dated January 14, 2011 with Infodart Technologies India Limited (“Infodart”), pursuant to which Infodart provides certain SAP support services, IT Hardware support and maintenance service and bar code recognition software services to Videocon d2h. During fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014, the amounts Videocon d2h paid to Infodart for their services were Rs.22.82 million, Rs.39.25 million and Rs.21.92 million, respectively.

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Certain Videocon Group entities provide Videocon d2h with business support services in the nature of logistics and warehousing from time to time. Videocon d2h paid them fees amounting to Rs.125.87 million and Rs.31.67 million during the fiscal year 2014 and the six months ended September 30, 2014, respectively, to Videocon Industries Limited; and Rs.44.61 million to Jubilant Logistics Limited during the six months ended September 30, 2014.

Videocon d2h has entered into arrangements with Quadrant Televentures Limited and Videocon Telecommunications Limited, pursuant to which, these entities provide toll free number and call centre services to Videocon d2h and Videocon Telecommunications Limited also provides Multiprotocol label switching, or MPLS, services to Videocon d2h. During the fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014, Videocon d2h paid Rs.5.44 million, Rs.37.37 million and Rs.26.48 million to Quadrant Televentures Limited, respectively and Rs.84.55 million, Rs.12.90 million and Rs.2.31 million to Videocon Telecommunications Limited, respectively, for providing the call center services.

During the six months ended September 30, 2014, Videocon d2h incurred expenses towards maintenance of Consumer Premises Equipment of Rs.0.83 million through Force Appliances Private Limited.

Purchase of office equipment

Videocon d2h purchases certain equipment for use in its offices or by its employees from certain Videocon Group entities from time to time. During the fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014, it purchased mobile phones and other such electronics from Planet 'M' Retail Limited for an aggregate amount of Rs.1.61 million, Rs.0.13 million and Rs.0.01 million, respectively and office equipment from Techno Kart India Limited (formerly Next Retail India Limited) for Rs.0.01 million, Rs.0.02 million and Rs.0.02 million, respectively. Videocon d2h also purchased UPS from Value Industries Limited for Rs.4.88 million during the six months ended September 30, 2014.

Expenses towards schemes offered by Videocon d2h's to its distribution network

Videocon d2h purchases certain electronics and other goods to be distributed to its dealers and distributors from time to time as part of schemes. During the fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014, it purchased such electronic goods from PE Electronics Limited for an aggregate amount of Rs.0.67 million, Rs.2.47 million and Rs.0.98 million, respectively and from Universal Digital Connect Limited during the fiscal year 2013, fiscal year 2014 for Rs.2.73 million, Rs.0.39 million, respectively.

Marketing expenses

Topaki Media Private Limited facilitates certain marketing activities for Videocon d2h, in particular through placement of its advertisements in newspapers and on television from time to time, in lieu of which, Videocon d2h has incurred marketing expenses aggregating to Rs.151.67 million, Rs.137.25 million and Rs.12.57 million to Topaki Media Private Limited during the fiscal year 2013, fiscal year 2014 and the six months ended September 30, 2014.

Royalty expenses

Pursuant to a deed of trademark usage license entered into between Videocon d2h and CE India Limited, Videocon d2h has acquired the non-exclusive license to use the 'Videocon' and 'V' trademarks for its business activities, subject to annual royalty payments. During the fiscal year 2013 and fiscal year 2014, Videocon d2h made royalty payments aggregating to Rs.0.53 million and Rs.0.51 million, respectively, to CE India Limited.

Loans and advances

Videocon d2h availed an unsecured loan of Rs.2,000 million from Videocon Industries Limited during the fiscal year 2013. Together with a pre-existing unsecured loan of Rs.250 million granted by Videocon Industries Limited, the total outstanding unsecured loans availed by Videocon d2h from Videocon Industries Limited amounted to Rs.2,250 million as on September 30, 2014. Further, Videocon d2h incurred finance costs towards payment of interest on such unsecured loans (at the rate of 2% less than the prevailing benchmark lending rate of the State Bank of India) of Rs.63.67 million and Rs.4.75 million during the fiscal year 2013 and fiscal year 2014, respectively.

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In connection with the various transactions undertaken among Videocon d2h and entities belonging to the Videocon Group, Videocon d2h extends advances to such entities from time to time in the ordinary course of its business, which are typically adjusted within the same fiscal year. Videocon d2h made such advances to Universal Digital Connect Limited during the fiscal year 2013, fiscal 2014 and the six months ended September 30, 2014 amounting to Rs.3.47 million, Rs.34.75 million and Rs.93.06 million, respectively. Also Videocon Industries Limited has advanced Rs.280.43 million to Videocon d2h during fiscal year 2013, Videocon d2h has paid advance to Videocon Industries Limited of Rs.241 million and Rs.39.43 million during fiscal year 2014 and six months ended September 30, 2014 respectively

Revenue from sales

During the fiscal year 2013, fiscal 2014 and the six months ended September 30, 2014 Videocon d2h has sold recharges of Rs.0.01 million, Rs.0.01 million and Rs.0.56 million, respectively to Tekcare India Private Limited. Videocon d2h also received Rs.8.11 million, Rs.18.97 million and Rs.8.17 million from Universal Digital Connect Limited for providing a free viewing of Videocon d2h services for certain initial period to buyers purchasing integrated television sets (with inbuilt set-top box functionality) with the condition to subscribe to Videocon d2h's services.

The amounts for the six months ended September 30, 2014 are unaudited.

PRICE RANGE OF SECURITIES AND DIVIDENDS

Silver Eagle

Price Range of Silver Eagle Securities

Silver Eagle's units, common stock, and warrants are each quoted on the OTCQB under the symbols EAGLU, EAGL, and EAGLW, respectively.

The following table includes the high and low bids for Silver Eagle's units, common stock and warrants for the periods presented.

	Units ⁽¹⁾		Common Stock ⁽²⁾		Warrants ⁽³⁾	
	High	Low	High	Low	High	Low
2015						
First Quarter	\$ 11.60	\$ 10.15	\$ 10.85	\$ 9.87	\$ 0.99	\$ 0.80
2014						
Fourth Quarter	\$ 10.60	\$ 10.15	\$ 9.86	\$ 9.76	\$ 0.78	\$ 0.45
Third Quarter	\$ 11.20	\$ 10.11	\$ 9.94	\$ 9.74	\$ 0.85	\$ 0.45
Second Quarter	\$ 12.14	\$ 10.21	\$ 10.30	\$ 9.65	\$ 0.85	\$ 0.50
First Quarter	\$ 10.65	\$ 9.98	\$ 9.78	\$ 9.50	\$ 1.28	\$ 0.39
2013						
Fourth Quarter	\$ 10.20	\$ 9.20	\$ 10.00	\$ 9.50	\$ 0.60	\$ 0.30
Third Quarter	\$ 10.20	\$ 10.00	\$ 10.45	\$ 5.01	\$ 9.50	\$ 0.16

(1) Silver Eagle's units began trading on NASDAQ on July 25, 2013. The figures for the third quarter of 2013 are for the period from July 25, 2013 through September 30, 2013.

(2) Silver Eagle's common stock began separate trading on NASDAQ on September 16, 2013. The figures for the third quarter of 2013 are for the period from September 16, 2013 through September 30, 2013.

(3) Silver Eagle's warrants began separate trading on NASDAQ on September 16, 2013; however, there were no sales prior to September 17, 2013. The figures for the third quarter of 2013 are for the period from September 17, 2013 through September 30, 2013.

On January 04, 2015 date before the public announcement of the Transaction, the Company's units, common stock and warrants closed at \$10.20, \$9.80 and \$0.50, respectively.

Holder

As of March 25, 2014, there was one holder of record of Silver Eagle's units, five holders of record of its common stock and three holders of record of its warrants.

Dividends

Silver Eagle has not paid any cash dividends on its common stock to date and does not intend to pay cash dividends prior to the completion of the Transaction.

Videocon d2h

Price Range of Videocon d2h Securities

Historical market price information regarding Videocon d2h is not provided because there is no public market for Videocon d2h's equity shares or ADSs.

As of the date of this proxy statement/prospectus, there were 8 holders of Videocon d2h equity shares.

Dividend Policy of Videocon d2h

Videocon d2h has not declared any dividends since its incorporation and has not adopted a formal dividend policy. The declaration and payment of dividends by Videocon d2h, if any, will be recommended by its Board of Directors and approved by its shareholders at their discretion, subject to the provisions of Videocon d2h's Articles of Association and the Indian Companies Act. Further, dividends, if any, will depend

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on a number of factors, including, but not limited to, the earnings, capital requirements and overall financial position of Videocon d2h. In addition, Videocon d2h's ability to pay dividends may be impacted by a number of other factors, including, restrictive covenants under its loan or financing documents, which may require it to obtain the consent of certain lenders prior to declaring and paying any dividends, including in the event it is in default of its repayment obligations under the financing documents.

In accordance with applicable Indian law, an Indian company is permitted to declare or pay dividends in any year only in cash and out of profits for that year after providing for depreciation, in the manner prescribed. In the event of inadequacy or absence of profits in a particular year, dividends may be paid out of the accumulated profits of the company (after providing for depreciation) which remain undistributed and transferred to the company's free reserves, subject to the following conditions:

- (i) The rate of dividend declared does not exceed the average of the rates at which dividends were declared by the company in the preceding three years (except where no dividends have been declared in each of the preceding three years);
- (ii) The total amount drawn up from the accumulated profits does not exceed 1/10th of the sum of the company's paid-up share capital and free reserves, as appearing in its latest audited balance sheet;
- (iii) The amount drawn up from the accumulated profits is first utilized to set-off the losses incurred in the fiscal year in which the dividend is proposed to be declared before any dividend in respect of equity shares is declared;
- (iv) The balance of reserves after such withdrawal do not fall below 15% of the company's paid-up share capital, as appearing in its latest audited balance sheet; and
- (v) The carried over previous losses and depreciation not provided in the previous year or years are set off against the profit of the company in the current year.

Holders of the Videocon d2h ADSs will be entitled to receive dividends payable in respect of the Videocon d2h equity shares represented by ADSs. Cash dividends in respect of the equity shares represented by the Videocon d2h ADSs will be paid to the Depository in Indian Rupees and, except as otherwise described under "*Description of the American Depositary Shares*," will be converted by the Depository into U.S. dollars for distribution to the registered holders of the Videocon d2h ADSs, net of any fees and expenses payable to the Depository in accordance with the Deposit Agreement. The equity shares represented by the Videocon d2h ADSs will rank equally with all its other outstanding equity shares in respect of dividends.

Dividends paid to non-resident holders of ADSs are not presently subject to tax in the hands of such holder. However, Videocon d2h will be liable to pay a "dividend distribution tax," currently at an effective rate of 16.99% (inclusive of applicable surcharge and cess), on the total amount distributed as dividend as grossed up by the amount of such dividend distribution tax.

Dividend Policy Following the Transaction

Following completion of the Transaction, Videocon d2h's board of directors will consider whether or not to institute a dividend policy. It is the present intention of Videocon d2h to retain any earnings for use in its business operations and, accordingly, Videocon d2h does not anticipate the board of directors declaring any dividends in the foreseeable future.

LEGAL MATTERS

The validity of the equity shares represented by the Videocon d2h ADSs offered by this proxy statement/prospectus will be the subject of a legal opinion by Amarchand & Mangaldas & Suresh A. Shroff & Co., New Delhi, India.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS

Representatives of Silver Eagle's independent registered public accounting firm, KPMG LLP, will be present at the special meeting of the stockholders. The representatives will have the opportunity to make a statement if they so desire and they are expected to be available to respond to appropriate questions.

The audited financial statements of Silver Eagle Acquisition Corp. (a development stage company) as of December 31, 2013, and for the period from April 11, 2013 (inception) through December 31, 2013, included in this proxy statement/prospectus have been so included in reliance on a report of Rothstein Kass, an independent registered public accounting firm, appearing elsewhere herein given on the authority of said firm, as experts in auditing and accounting.

The financial statements of Videocon d2h Limited (restated) as of March 31, 2014 and 2013 and for each of the two years in the period ended March 31, 2014 included in this proxy statement/prospectus have been so included in reliance on the report of Khandelwal Jain & Co., an independent registered public accounting firm, appearing elsewhere herein given on the authority of said firm as experts in auditing and accounting.

APPRAISAL RIGHTS

Silver Eagle stockholders do not have appraisal rights in connection with the Transaction under Delaware law.

ENFORCEABILITY OF CIVIL LIABILITIES

Videocon d2h is a public limited company organized under the laws of the Republic of India. Substantially all of the directors and executive officers of Videocon d2h (other than Harry E. Sloan and Jeff Sagansky), and certain of the experts named in this proxy statement/prospectus are residents of non-United States jurisdictions and all or a substantial portion of the assets of such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons with respect to matters arising under the Securities Act or to enforce against them, in original actions or in actions for enforcement of judgments of United States courts, liabilities predicated upon the United States federal securities laws.

Irrespective of any jurisdictional issues, Indian courts may not enforce a provision of the U.S. federal securities laws that is either penal in nature or contrary to public policy. An action brought pursuant to a public or penal law, the purpose of which is the enforcement of a sanction, power or right at the instance of the state in its sovereign capacity, is unlikely to be entertained by Indian courts. Specified remedies available under the laws of U.S. jurisdictions, including specified remedies under U.S. federal securities laws, would not be available under Indian law or enforceable in an Indian court, if they are considered to be contrary to Indian public policy (as the case may be). An award of punitive damages under a United States court judgment based upon United States federal securities laws is likely to be construed by Indian courts to be penal in nature and therefore unenforceable in India.

Section 44A of the C.P.C., provides that where a foreign judgment has been rendered by a superior court in any country or territory outside of India which the GoI has by notification declared to be a reciprocating territory, such foreign judgment may be enforced in India by proceedings in execution as if the judgment had been rendered by an appropriate court in India. However, the enforceability of such judgments is subject to the exceptions set forth in Section 13 of the C.P.C. This section, which is the statutory basis for the recognition of foreign judgments, states that a foreign judgment is conclusive as to any matter directly adjudicated upon except:

- where the judgment has not been pronounced by a court of competent jurisdiction;
- where the judgment has not been given on the merits of the case;
- where the judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- where the proceedings in which the judgment was obtained were opposed to natural justice;
- where the judgment has been obtained by fraud; or

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- where the judgment sustains a claim founded on a breach of any law in force in India.

India is not a signatory to the “Convention on the Recognition and Enforcement of Foreign Judgments in Civil and Commercial Matters” or any other international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the C.P.C. provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the Government of India has declared to be a reciprocating territory, it may be enforced in India as if the judgment had been rendered in India. The United States has not been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the C.P.C. If a judgment of a foreign court is not enforceable under Section 44A of the C.P.C. as described above, it may be enforced in India only by a suit filed upon the judgment, subject to Section 13 of the C.P.C., and not by proceedings in execution. Accordingly, a judgment of a court in the United States may be enforced only by filing a fresh suit on the basis of the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is difficult to predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to untimely delay. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy or practice in India.

A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as amended, to repatriate any amount recovered pursuant to such enforcement. Any judgment in a foreign currency would be converted into Indian Rupees on the date of judgment and not on the date of payment.

DELIVERY OF DOCUMENTS TO STOCKHOLDERS

Pursuant to the rules of the SEC, Silver Eagle and servicers that it employs to deliver communications to Silver Eagle stockholders are permitted to deliver to two or more stockholders sharing the same address a single copy of the proxy statement/prospectus. Upon written or oral request, Silver Eagle will deliver a separate copy of the proxy statement/prospectus to any stockholder at a shared address to which a single copy of the proxy statement/prospectus was delivered and who wishes to receive separate copies in the future. Stockholders receiving multiple copies of the proxy statement/prospectus may likewise request that Silver Eagle deliver single copies of the proxy statement/prospectus in the future. Stockholders may notify Silver Eagle of their requests by calling or writing Silver Eagle at Silver Eagle’s principal executive offices at 1450 2nd Street, Suite 247, Santa Monica, California 90401, Attn: Secretary.

TRANSFER AGENT AND REGISTRAR

The transfer agent for Silver Eagle’s securities and warrant agent for Silver Eagle’s warrants is Continental Stock Transfer & Trust Company.

SUBMISSION OF STOCKHOLDER PROPOSALS

Silver Eagle’s board of directors is aware of no other matter that may be brought before the special meeting. Under Delaware law, only business that is specified in the notice of special meeting to stockholders may be transacted at the special meeting.

FUTURE STOCKHOLDER PROPOSALS

Stockholder proposals for the 2015 annual meeting must be received at Silver Eagle’s principal executive offices by [], and must otherwise comply with the SEC’s rules, to be considered for inclusion in Silver Eagle’s proxy materials. If, however, the annual meeting is more than 30 days from the anniversary of the special meeting of stockholders, then stockholder proposals for the 2015 annual meeting must be received at Silver Eagle’s principal executive offices a reasonable time before Silver Eagle begins to print and mail its 2015 annual meeting proxy materials, to be considered for inclusion in Silver Eagle’s proxy materials relating to its annual meeting.

If you intend to present a proposal at the Silver Eagle’s next annual meeting, or if you want to nominate one or more directors, you must give timely notice thereof in writing to Silver Eagle. Silver Eagle must

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receive this notice no earlier than [], 2015 and no later than [], 2015; provided, however, that in the event that the 2015 annual meeting is called for a date that is not within 45 days before or after the anniversary of the special meeting of stockholders, notice by the stockholder to be timely must be so received not earlier than the opening of business on the 120th day before the annual meeting and not later than the later of (x) the close of business on the 90th day before the 2015 annual meeting or (y) the close of business on the 10th day following the day on which public announcement of the date of the 2015 annual meeting is first made by the Company.

If you intend to present a proposal at the 2015 annual meeting, or if you want to nominate one or more directors at the 2015 annual meeting, you must comply with the advance notice provisions of Silver Eagle's bylaws. If the Transaction is completed, Silver Eagle's bylaws will be amended and restated. You may contact Silver Eagle's Secretary at Silver Eagle's principal executive offices for a copy of the relevant bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates.

WHERE YOU CAN FIND MORE INFORMATION

As a foreign private issuer, Videocon d2h will file its Annual Report on Form 20-F with the SEC no later than 120 days following its fiscal year end. Silver Eagle files reports, proxy statements/prospectus and other information with the SEC as required by the Exchange Act. You can read Silver Eagle's SEC filings, including this proxy statement/prospectus, over the Internet at the SEC's website at <http://www.sec.gov>. You may also read and copy any document Silver Eagle files with the SEC at the SEC public reference room located at 100 F Street, N.E., Room 1580 Washington, D.C., 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also obtain copies of the materials described above at prescribed rates by writing to the SEC, Public Reference Section, 100 F Street, N.E., Washington, D.C. 20549.

If you would like additional copies of this proxy statement/prospectus at no cost or if you have questions about the Transaction or the proposals to be presented at the special meeting, you should contact Silver Eagle by telephone or in writing:

James A. Graf, Secretary
Silver Eagle Acquisition Corp.
1450 2nd Street, Suite 247
Santa Monica, California 90401
Tel: (310) 209-7280
Email: jgraf@geacq.com

You may also obtain these documents at no cost by requesting them in writing or by telephone from Silver Eagle's proxy solicitation agent at the following address and telephone number:

Morrow & Co., LLC
470 West Avenue
Stamford, CT 06902
Telephone: (800) 662-5200
Email: EAGL.info@morrowco.com

If you are a stockholder of Silver Eagle and would like to request documents, please do so by [], 2015 to receive them before the Silver Eagle special meeting of stockholders. If you request any documents from Silver Eagle, it will mail them to you by first class mail, or another equally prompt means.

All information contained or incorporated by reference in this proxy statement/prospectus relating to Silver Eagle has been supplied by Silver Eagle, and all such information relating to Videocon d2h has been supplied by Videocon d2h. Information provided by either Silver Eagle or Videocon d2h does not constitute any representation, estimate or projection of any other party.

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This document is a proxy statement/prospectus of Silver Eagle for the special meeting of Silver Eagle stockholders and public warrant holders. Silver Eagle has not authorized anyone to give any information or make any representation about the Transaction, Silver Eagle or Videocon d2h that is different from, or in addition to, that contained in this proxy statement/prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it. The information contained in this document speaks only as of the date of this document unless the information specifically indicates that another date applies.

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of
Videocon d2h Limited
(formerly known as Bharat Business Channel Limited)**

We have audited the accompanying statement of financial position (restated) of **Videocon d2h Limited (formerly known as Bharat Business Channel Limited) (the "Company")** as at March 31, 2013 and March 31, 2014 and the related income statement (restated), statement of changes in equity (restated) and cash flow (restated) for the two years ended March 31, 2014 and a summary of significant accounting policies and other explanatory information (restated).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements (restated) in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRS') and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements (restated) based on our audit. We conducted our audit in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements (restated) are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements (restated). An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall restated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statement (restated) referred to above present fairly, in all material respects, the financial position of Videocon d2h Limited as at March 31, 2013 and March 31, 2014, and the results of its operations and its cash flows for the two years ended March 31, 2014 in conformity with the IFRS.

Other matter

As discussed in Note 2 (a) to the financial statements (restated), the Company has incurred a loss of INR 3,524.33mn and INR 3,195.48mn during the year ended March 31, 2013 and March 31, 2014 respectively and has accumulated losses amounting to INR 11,378.58 mn and INR 14,574.06mn as at March 31, 2013 and March 31, 2014, respectively resulting into erosion of its net worth. Further, the Company has breached certain provisions of the long term loan agreements with the banks such as delay in payment of interest and installments and breach of certain covenants. As a result, these long term borrowings have been classified as current liabilities and the current liabilities exceed the current assets manifolds. These factors raise significant doubt that the entity will be able to continue as a going concern. Should the bank enforce acceleration of repayment of loans, the Company may have insufficient liquidity and / or would be unable to meet its financial covenants. However, after considering the factors described above, the management has a reasonable expectation that the bank will not enforce acceleration of repayment. The management is also confident of meeting its funds requirements in the future and generating cash flow from business operations through increasing it's subscriber's base. Accordingly, these financial statements (restated) have been prepared on going concern basis. The financial statements (restated) do not include the adjustments that would result if the Company was unable to continue as a going concern.

As discussed in Note 2 (b) to the financial statements (restated), the financial statements for the year ended March 31, 2013 and March 31, 2014 have been restated.

**Khandelwal Jain & Co.
Chartered Accountants**

Place: Mumbai, India
Date: March 2, 2015

Videocon d2h Limited
Financial Statements (Restated)
31 March 2014

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Income Statement (Restated)

	Note	For the year ended	
		March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
INCOME			
Revenue from operations	7	17,644.10	11,295.47
		17,644.10	11,295.47
EXPENSE			
Operating expense	9	10,715.06	8,264.59
Employee benefits expense	10	864.28	778.70
Administration and other expenses	11	538.71	445.41
Selling and distribution expenses	12	1,605.56	1,033.37
Depreciation, amortization and impairment	16 & 17	4,211.89	3,125.87
Total Expenses		17,935.50	13,647.94
Profit/(Loss) from operations		(291.40)	(2,352.47)
Finance costs / Finance Income (Net)	13	(4,351.02)	(2,746.52)
Other Income	8	17.26	3.60
Profit/(loss) before tax		(4,625.16)	(5,095.39)
Income tax expense			
Current tax	14	—	—
Deferred tax	14	(1,429.68)	(1,571.06)
Profit/(Loss) after tax		(3,195.48)	(3,524.33)
Basic and Diluted earning per share	15	(13.20)	(16.59)

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Statement of Financial Position (Restated)

	Note	As at	
		March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Assets			
Non-current Assets			
Property, Plant and equipment & Capital Work-in-Progress	16	22,774.61	20,589.34
Intangible Assets	17	1,250.93	1,431.80
Other Financial Assets	20	2,225.01	297.86
Deferred Tax Assets (Net)		6,490.26	5,060.58
Total non-current assets		32,740.81	27,379.58
Current Assets			
Inventories	18	317.13	253.17
Trade Receivables	19	4.24	3.33
Other Financial Assets	20	747.16	607.37
Other Non-Financial Assets	20	1,721.45	2,134.00
Cash and cash equivalents	21	184.90	5,788.67
Total current assets		2,974.88	8,786.54
Total Assets		35,715.69	36,166.12
Equity			
Share Capital		2,420.00	2,420.00
Share Premium		5,840.00	5,840.00
Retained earnings		(14,574.06)	(11,378.58)
Total Equity		(6,314.06)	(3,118.58)
Liabilities			
Non-current Liabilities			
Long-term borrowings	22	—	—
Other Non-Financial Liabilities	23	2,668.99	2,376.74
Post employment benefits	24	29.87	25.78
Others employment benefits	25	18.19	16.67
Total non-current liabilities		2,717.05	2,419.19
Current Liabilities			
Short-term borrowings	22	2,250.00	5,500.00
Trade Payable		2,203.87	1,976.81
Other Non-Financial Liabilities	23	5,597.46	4,513.56
Other Financial Liabilities	23	29,256.55	24,871.09
Post employment benefits	24	1.81	1.54
Others employment benefits	25	3.01	2.51
Total current liabilities		39,312.70	36,865.51
Total Liabilities		42,029.75	39,284.70
Total equity and liabilities		35,715.69	36,166.12

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Statement of Cash flows (Restated)

	Note	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Cash flows from operating activities Profit before Tax		(4,625.16)	(5,095.39)
Adjustments for:			
Depreciation, Amortization and Impairment		4,211.89	3,125.87
Finance Costs		4,447.98	2,797.35
Interest Income		(96.96)	(50.83)
Employee benefits expenses		6.38	14.71
Liabilities/provisions no longer required written back		(15.41)	(2.52)
Operating cash flow before changes in assets and liabilities		3,928.72	789.19
Decrease/(increase) in inventories		(63.96)	(64.30)
Decrease/(increase) in trade receivables		14.50	12.35
Decrease/(increase) in other financial and non-financial assets		(1,635.12)	(310.18)
Increase/(decrease) in trade payable		227.06	428.24
Increase/(decrease) in other financial and non-financial liabilities		875.65	2,797.97
Cash generated from operations		3,346.85	3,653.27
Income tax paid		19.25	20.01
Net cash inflow from operating activities		3,327.60	3,633.26
Cash flows from investing activities			
Purchase of intangible assets		(63.02)	(491.08)
Property, Plant and equipment & Capital Work-in-Progress		(6,438.82)	(7,010.37)
Decrease in Capital Work-in-Progress & Disposal of Property, Plant and equipment		285.54	2.14
Interest Income		96.96	50.83
Net cash flow from investing activities		(6,119.34)	(7,448.48)
Cash flows from financing activities			
Increase in Equity Share Capital		—	600.00
Share Premium Received		—	2,400.00
Share Application Money		—	(3,000.00)
Proceeds from borrowings		7,333.25	14,269.26
Repayment of borrowings		(5,697.30)	(1,909.95)
Interest & other borrowing costs paid		(4,447.98)	(2,797.35)
Net cash flow from financing activities		(2,812.03)	9,561.96
Net increase/(decrease) in cash and cash equivalents during the year		(5,603.77)	5,746.74
Cash and cash equivalents at beginning of the financial year	21	5,788.67	41.93
Cash and cash equivalents at end of the financial year	21	184.90	5,788.67

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Notes to Financial Statements for the year ended March 31, 2014

Statement of Changes in Equity (Restated)

	Called up share capital	Share premium	Share Application Money	Retained earnings	Total
Balance as at April 01 2012	1,820.00	3,440.00	3,000.00	(7,854.25)	405.75
Additional Issued	600.00	2,400.00	(3,000.00)	—	—
Loss for the year	—	—	—	(3,524.33)	(3,524.33)
Balance as at March 31 2013	2,420.00	5,840.00	—	(11,378.58)	(3,118.58)
Loss for the year	—	—	—	(3,195.48)	(3,195.48)
Balance as at March 31 2014	2,420.00	5,840.00	—	(14,574.06)	(6,314.06)

Share Capital

Particulars	As at March 31, 2014		As at March 31, 2013	
	No of Shares (in Nos)	Value (Rs. in Million)	No of Shares (in Nos)	Value (Rs. in Million)
Authorized shares	500,000,000	5,000.00	500,000,000	5,000.00
<i>(Equity Shares of Rs. 10/- each)</i>				
Ordinary shares of Rs. 10 allotted, issued and fully paid	242,000,000	2,420.00	182,000,000	1,820.00
Allotted during the year	—	—	60,000,000	600.00
As at March 31	242,000,000	2,420.00	242,000,000	2,420.00

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

The company issued 60,000,000 Equity Shares of Rs.10/- each at a premium of Rs.40 Per Equity Share aggregating to Rs.3,000 mn as on September 28, 2012, against Share Application money of Rs.3,000 mn received in Financial year 2011 – 12.

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Notes to Financial Statements for the year ended March 31, 2014

1. Corporate information

Videocon d2h Limited is a limited company incorporated and domiciled in India under the Companies Act, 1956 of India. The name of the Company was changed from Bharat Business Channel Limited to the current name now, Videocon d2h Limited on July 1, 2014. The registered office is located at Auto Cars Compound, Adalat Road, Aurangabad, 431005, Maharashtra, India.

The company is engaged in the business of providing Direct to Home (DTH) services to its subscribers. The company has entered into a license agreement with the Ministry of Information and Broadcasting to provide DTH services in India. The DTH services are rendered to the subscribers through Consumer Premises Equipment (CPE) used for receiving and broadcasting DTH signals at subscriber's premises.

2. Basis of preparation

- a. These financial statements have been prepared in accordance with the International Financial Reporting Standards ('IFRS') and IFRIC interpretations, as issued by the International Accounting Standards Board. These financial statements have been prepared under the historical cost convention, as modified by financial assets/financial liabilities at fair value through statement of Income.

These financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at March 31, 2014. The policies set out below have been consistently applied to all the years presented.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 & 5. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The financial statements provide comparative information in respect of the previous periods. In addition, the company presents an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

The Company has incurred a loss of INR 3,524.33 mn and INR 3,195.48 mn during the year ended March 31, 2013 and March 31, 2014 respectively and has accumulated losses amounting to INR 11,378.58 mn and INR 14,574.06 mn as at March 31, 2013 and March 31, 2014, respectively resulting into erosion of its net worth. Further, the Company has breached certain provisions of the long term loan agreements with the banks such as delay in payment of interest and installments and breach of certain covenants. As a result, these long term borrowings have been classified as current liabilities and the current liabilities exceed the current assets manifolds. These factors raise significant doubt that the entity will be able to continue as a going concern. Should the bank enforce acceleration of repayment of loans, the Company may have insufficient liquidity and/or would be unable to meet its financial covenants. However, after considering the factors described above, the management has a reasonable expectation that the bank will not enforce acceleration of repayment. The management is confident of meeting its funds requirements in the future and generating cash flow from business operations through increasing its subscriber's base. Accordingly, these financial statements have been prepared on going concern basis. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

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Notes to Financial Statements for the year ended March 31, 2014

2. Basis of preparation – (continued)

- b. Subsequent to the original issuance of company’s financial statement, the company has restated its financial statement to classify long term loans to current liabilities (refer note no. 22) and consequential impact that processing fees paid which was amortized over the terms of loan in original financial statement is now charged to income statement in the period/year in which it is incurred. The company has also included certain parties under its related party disclosure in the financial statement as restated (refer note no. 28).

3. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the company.

The following new standards or interpretations have not been applied for the year ended 31st March 2014.

STANDARDS OR INTERPRETATIONS	EFFECTIVE DATE
IFRS 9 – Financial Instruments	1 January 2018
IFRS 14 – Regulatory Deferral Accounts	1 January 2016
IFRS 15 – Revenue from contracts with Customers	1 January 2017
IFRIC 21 – Levies	1 January 2014

IFRS 9 *Financial Instruments*

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* which reflects all phases of the financial instruments project and replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of IFRS 9 will have an effect on the classification and measurement of the Company’s financial assets, but no impact on the classification and measurement of the Company’s financial liabilities.

IFRS 14 *Regulatory Deferral Accounts*

IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity’s rate-regulation and the effects of that rate-regulation on its financial statements. IFRS 14 is effective for annual periods beginning on or after 1 January 2016. Since the Company is an existing IFRS preparer, this standard would not apply.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for

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Notes to Financial Statements for the year ended March 31, 2014

3. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the company. – (continued)

annual periods beginning on or after 1 January 2017 with early adoption permitted. The Company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

IFRIC 21 LEVIES

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognised. The Company is not currently subjected to significant levies so the impact on the Company is not material.

4. Significant accounting policies

4.1 Intangible assets

Intangible Assets which includes License Fees, Computer Software, Technical Know-how and Trade Mark/Brand, are measured at cost of acquisition and are stated at cost less accumulated amortization and impairment, if any. Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition 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 or loss when the asset is derecognised.

a) Licence fees:

Acquired licenses are initially recognised at cost. Subsequently, license fees are measured at cost less accumulated amortisation and accumulated impairment loss, if any.

Amortisation period for license fees is determined primarily by reference to the unexpired license period. Amortisation is charged to the income statement on a straight-line basis over the period of license. The useful life of license is 10 years.

b) Computer software

Computer software comprises of computer softwares purchased from third parties. Computer software licenses are capitalised on the basis of all the costs incurred to acquire and bring into use the specific purpose.

Software integral to a related item of hardware equipment is accounted for as property, plant and equipment. Costs associated with maintaining computer software programs are recognised as an expense when they are incurred.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives from the date the software is available for use. The useful economic life is estimated at 5 years.

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Notes to Financial Statements for the year ended March 31, 2014

4. Significant accounting policies – (continued)

c) Trademarks/Brand/Technical know-how and Designs

Trademark/Brand/Technical know-how and Designs are measured at cost and are amortised on straight line basis over its useful life which is the shorter of the license term and the useful economic life. The useful economic life is estimated at 10 years.

4.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of CENVAT and Value Added Tax, wherever input credit is claimed.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repair and maintenance costs are recognized in Income statement as incurred.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, using the straight-line method, over their estimated useful lives, as follows:

Assets	Useful Life
Land and Building	
Building	30 Years
Equipment & Machinery	
Plant and Machinery	13 – 20 years
Consumer Premises Equipment	7 Years
Computer hardware	6 years
Other assets (Furniture & Fixtures and Vehicle)	
Furniture & Fixtures	15 years
Vehicles	10 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

4.3 Impairment of assets

Property, plant and equipment and intangible assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the

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4. Significant accounting policies – (continued)

impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.4 Revenue

- a) Subscription revenue from DTH services is recognized on accrual basis on rendering of the services and is net of service tax and any discount given.
- b) Activation revenue is recognized on the completion of activation services and is net of service tax and any discount given.
- c) Revenue from installation is recognized on completion of the installation services and is net of service tax.
- d) Revenue on account of sale of Set Top Box (STB), accessories and goods is recognized when the goods are dispatched and are stated net of Sales tax/VAT, discounts and rebates.
- e) Lease rentals are recognized as revenue as per the terms of contract of operating lease over the period of lease on straight line basis.
- f) Other services like carriage fees and advertisement revenue are recognized on rendering of the service and are net of service tax.
- g) Interest income is recognized on time proportion basis taking into account the amount invested and the rate of interest.
- h) Revenue and Expenditure on account of Free Commercial Time (FCT) granted by the broadcaster/s is recognised as and when same is utilised.

4.5 Inventories

Inventories is stated at the lower of cost and net realisable value. Cost is determined on weighted average basis and comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition.

4.6 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as an assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments as determined at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance

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Notes to Financial Statements for the year ended March 31, 2014

4. Significant accounting policies – (continued)

of the liability. The corresponding rental obligations, net of finance charges, are included in Trade and other payables. Finance charges are recognised in the income statement.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Arrangement containing lease

The determination of whether an arrangement is, or contains, a lease is based on the substance of arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

4.7 Foreign currencies

a) Functional and presentation currency

The financial statements of the company are presented in Indian Rupees ('INR') which is the functional currency of the Company.

b) Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the respective functional currency at the rates prevailing on the reporting period date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting period-end date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'Administration & Other expenses' (net).

4.8 Employment benefits

a) Short Term Employees Benefits

All employee benefits payable within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc., are recognized in the Income Statement in the period in which the employee renders the related service.

b) Long Term Employee Benefits

i) Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employees and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. The Company's contributions to both these schemes are expensed. The Company has no further obligations under these plans beyond its monthly contributions.

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4. Significant accounting policies – (continued)

ii) Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The present value of obligation under gratuity is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Income Statement as income or expenses.

iii) Leave Encashment and Other long term benefit

Liability in respect of leave encashment for complete financial year is determined using the projected unit credit method with independent actuarial valuations as on the date of Statement of financial position and gains/losses are recognized immediately in the Income Statement.

4.9 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

The charge for current tax is based on the result for the year adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the income statement unless the item to which the tax relates was recognised outside the income statement being other comprehensive income or equity. The tax associated with such an item is also recognised in other comprehensive income or equity respectively.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to Income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

A change in deferred tax assets and liabilities as a result of a change in the tax rates or laws are recognised in Income statement or other comprehensive income to the extent that it relates to items previously recognised in other comprehensive income.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

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Notes to Financial Statements for the year ended March 31, 2014

4. Significant accounting policies – (continued)

4.10 Financial instruments

Financial assets and financial liabilities, in respect of financial instruments, are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and liabilities at initial recognition.

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balance with banks, being those with original maturities of three months or less.

Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Capital market and bank borrowings

Interest bearing loans are initially measured at fair value (which is equal to cost at inception), and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issuance costs.

4.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company 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.

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Notes to Financial Statements for the year ended March 31, 2014

4. Significant accounting policies – (continued)

Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

4.13 Earnings per share

The Company's earnings per share ('EPS') is determined based on the net loss attributable to the equity shareholders. Basic loss per share are computed using the weighted average number of shares outstanding during the year. Diluted loss per share is computed using the weighted average number of common and dilutive common equivalent shares if any outstanding during the year, except where the result would be anti-dilutive.

4.14 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The interest cost incurred for funding a qualifying asset during the construction period is capitalised based on actual investment in the asset at the average interest rate. All other borrowing costs are recognised in Income statement in the period in which they are incurred.

4.15 Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

5. Critical accounting estimates

The company prepares its financial statements in accordance with IFRS as issued by the IASB, the application of which often requires judgments to be made by management when formulating the company's financial position and results. Under IFRS, the management of the company is required to adopt those accounting policies most appropriate to the company's circumstances for the purpose of presenting fairly the company's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgment is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the company should it later be determined that a different choice would be more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below. The discussion below should also be read in conjunction with the company's disclosure of significant IFRS accounting policies which are provided in note 4 to the financial statements, "Significant accounting policies".

Management has discussed its critical accounting estimates and associated disclosures with the company's Audit Committee.

a. Impairment reviews

IFRS requires management to undertake an annual test for impairment of for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

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5. Critical accounting estimates – (continued)

Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- growth in EBITDA, calculated as operating profit before depreciation and amortisation;
- timing and quantum of future capital expenditure;
- long-term growth rates; and
- the selection of discount rates to reflect the risks involved.

b. Revenue recognition

Arrangements with multiple deliverables

In revenue arrangements including more than one deliverable, the arrangement considerations are assigned to one or more separate deliverables based on its relative fair values for revenue recognition purpose.

Determining the fair value of each deliverable can require estimates due to the nature of the goods and services provided.

c. Taxation

The Company is subject to income taxes in Indian jurisdictions. Significant judgments are required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain; such determination being made by the relevant taxing authorities. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be found to be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Where considered necessary estimates are developed by management based on external specialist advice.

There are no other judgemental areas identified by management that could have a material effect on the provisions made at the reporting date.

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

Recognition therefore involves judgement regarding the future financial performance of the company.

d. Employee benefit

The present value of the employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of employment benefits.

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5. Critical accounting estimates – (continued)

Discount rate as determined by the actuary is the interest rate used to discount the defined benefit obligation and calculate the net interest recognised in profit or loss on the net defined benefit liability. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms of maturity approximating the terms of the related pension obligation.

Other key assumptions relevant to the defined employment benefit obligations are based in part on current market conditions. Additional disclosures concerning these obligations are provided in note 24 & 25.

e. License Fees

There are transactions and calculations for which the ultimate license fees determination is uncertain; such determination being made by the relevant authorities. The company recognises liabilities based on estimates of whether additional fees will be found to be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income statement and liabilities in the period in which such determination is made.

There are no other judgemental areas identified by management that could have a material effect on the provisions made at the reporting date.

f. Other intangible assets

Estimation of useful life

The useful life used to intangible assets relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset. The basis for determining the useful life for the most significant categories of intangible assets is as follows:

Capitalised software

The useful life is determined by management at the time the software is acquired and brought into use and is regularly reviewed for appropriateness. For computer software licenses, the useful life represents management's view of expected term over which the Company will receive benefits from the software, but not exceeding the license term. For unique software products controlled by the Company, the life is based on historical experience with similar products as well as anticipation of future events which may impact their life such as changes in technology. Historically changes in useful lives have not resulted in material changes to the Company's amortisation charge.

g. Property, plant and equipment

Property, plant and equipment also represent a significant proportion of the asset base of the Company being 78% as at March 31 2014 (March 31, 2013: 66%) of the Company's total assets. Therefore the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

Estimation of useful life

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the income statement.

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5. Critical accounting estimates – (continued)

The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Historically changes in useful lives and residual values have not resulted in material changes to the Company's depreciation charge.

h. Provisions and contingent liabilities

The Company exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (see note 27 and 30). Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

6. Segment analysis

The Company operates in a single business segment viz. Direct to Home services in India; accordingly there is no reportable business segment or geographical segment.

7. Revenue from operations

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Subscription Revenue	14,877.41	9,356.23
Other Operating Revenue	1,891.88	1,300.85
Lease Rentals	761.34	591.90
Sale of set top box and accessories	113.47	46.49
	17,644.10	11,295.47

8. Other Income

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Liabilities/provisions no longer required written back	15.41	2.52
Other non-operating income	1.85	1.08
	17.26	3.60

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9. Operating expenses

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Content and Programming costs	6,019.58	4,568.58
License fees and taxes	1,832.05	1,114.43
Space segment charges and fees	1,332.29	994.47
Installation and service expenses	1,028.68	1,228.72
IT support costs	283.60	233.15
Cost of material and components consumed	218.86	125.24
	10,715.06	8,264.59

10. Employee benefits expenses

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Salaries, bonus and allowances	809.94	729.34
Contribution to Provident and other funds	33.76	31.34
Staff welfare expenses	20.58	18.02
	864.28	778.70

11. Administration and other expenses

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Travelling and Conveyance Expenses	131.45	122.53
Rent	89.78	72.91
Power and Fuel	68.98	55.70
Legal and Professional Charges	67.11	53.98
Office and General Expenses	63.48	57.04
Exchange Fluctuation Loss (Net)	48.17	26.29
Communication Expenses	24.88	20.09
Repairs and Maintenance	22.20	18.62
Printing and Stationery	10.84	9.93
Insurance Expenses	5.78	5.43
Rates and Taxes	4.51	1.38
Auditors' Remuneration	1.53	1.51
	538.71	445.41

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Notes to Financial Statements for the year ended March 31, 2014

12. Selling and distribution expenses

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Advertisement and Marketing Expenses	893.68	336.82
Customer Support Services	627.16	640.79
Distribution Expenses	84.72	55.76
	1,605.56	1,033.37

13. Finance (costs)/Finance Income (Net)

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Finance Costs:		
Bank Loan Interest	(4,235.14)	(2,493.74)
Other Interest	(112.08)	(164.67)
Bank Charges	(100.76)	(138.94)
	(4,447.98)	(2,797.35)
Finance Income:		
Interest Income	96.96	50.83
Finance (Costs)/Finance Income (net)	(4,351.02)	(2,746.52)

14. Taxation

The major components of income tax expense for the years ended 31st March 2014 and 31st March 2013

Income Tax expense

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Income tax expenses in respect of:		
Current year	—	—
Total income tax	—	—
Deferred tax on origination and reversal of temporary differences	(1,429.68)	(1,571.06)
Total deferred tax	(1,429.68)	(1,571.06)
Total income tax expenses	(1,429.68)	(1,571.06)

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14. Taxation – (continued)

Deferred tax

Deferred tax relates to the following:

<u>Particulars</u>	As at	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Statement of Financial Position		
Provision for Gratuity	9.79	8.44
Disallowances in Tax	184.71	121.84
Deferral of Expenses – Discount on Long term recharge	(73.46)	(52.30)
Allowances under Section 35D	2.77	4.24
Depreciation/amortization and impairment	(217.53)	(421.50)
Losses available for offsetting against future taxable income	6,583.98	5,399.86
Deferred Tax Assets	6,490.26	5,060.58
Deferred tax Assets at April 1	5,060.58	3,489.52
Deferred tax expense/(benefit)	(1,429.68)	(1,571.06)

Reconciliation in the Statement of Financial Position as:

<u>Particulars</u>	As at	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Deferred tax asset	6,781.25	5,534.38
Deferred tax liability	(290.99)	(473.80)
Deferred tax assets or Deferred tax liabilities net	6,490.26	5,060.58

Factors affecting the tax charge in future years

Factors that may affect the Company's future tax charge include the impact of corporate restructurings, the resolution of open issues, future planning opportunities, corporate acquisitions and disposals, the use of brought forward tax losses and changes in tax legislation and tax rates.

The Company is routinely subject to assessments by tax authorities in India. These are usually resolved through the Indian legal system. The Company considers each issue on its merits and, where appropriate, holds provisions in respect of the potential tax liability that may arise. However, the amount ultimately paid may differ materially from the amount accrued and could therefore affect the Company's overall profitability and cash flows in future periods.

Videocon d2h Limited — Financial Statements (Restated)
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Notes to Financial Statements for the year ended March 31, 2014

14. Taxation – (continued)

At March 31, 2014 the gross amount and expiry dates of losses available for carry forward are as follows:

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
Expiring within 5 years		
Losses for which a deferred tax asset is recognized	1,124.18	8.86
Losses for which no deferred tax is recognized	—	—
Expiring within 6 – 10 years		
Losses for which a deferred tax asset is recognized	8,965.86	9,862.11
Losses for which no deferred tax is recognized	—	—
Unlimited		
Losses for which a deferred tax asset is recognized	11,217.34	7,604.31
Losses for which no deferred tax is recognized	—	—
Total		
Losses for which a deferred tax asset is recognized	21,307.38	17,475.28
Losses for which no deferred tax is recognized	—	—

15. Earning Per Share

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Profit/(Loss) for the year	(3,195.48)	(3,524.33)
Weighted average number of shares for basic loss per share	242,000,000	212,410,959
Weighted average number of shares for diluted loss per share	242,000,000	212,410,959
Basic earning per Share	(13.20)	(16.59)
Diluted earning per Share	(13.20)	(16.59)

Basic Profit/(loss) per share is calculated by dividing the Profit/(loss) for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted Profit/(loss) per share are calculated by dividing the Profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

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16. Property, Plant and equipment & Capital Work-in-Progress

(Rs. in Million)

Costs	Consumer Premises Equipments (CPE)	Plant and Machinery	Computers	Building	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Capital Work-in-Progress	Total
As at April 1, 2012	13,186.70	2,782.08	503.57	229.17	173.34	48.33	21.46	13.33	2,239.09	19,197.07
Additions	6,528.51	179.74	15.00	0.61	2.89	3.71	2.70	5.82	270.98	7,009.96
Disposals/Adjustments	—	0.18	0.04	—	—	0.95	—	0.97	—	2.14
As at March 31, 2013	19,715.21	2,961.64	518.53	229.78	176.23	51.09	24.16	18.18	2,510.07	26,204.89
Additions	6,180.59	190.12	47.58	2.74	10.05	3.19	4.53	—	—	6,438.80
Disposals/Adjustments	—	—	—	—	—	—	—	—	285.54	285.54
As at March 31, 2014	25,895.80	3,151.76	566.11	232.52	186.28	54.28	28.69	18.18	2,224.53	32,358.15
Accumulated depreciation and impairment	Consumer Premises Equipments (CPE)	Plant and Machinery	Computers	Building	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Capital Work-in-Progress	Total
As at April 1, 2012	2,067.16	426.63	175.71	17.24	16.89	6.22	2.02	3.35	—	2,715.22
Depreciation for the year	2,603.24	194.07	81.85	7.66	8.25	3.11	1.18	1.40	—	2,900.76
Disposals/Adjustments	—	0.03	0.01	—	—	0.20	—	0.18	—	0.42
As at March 31, 2013	4,670.40	620.67	257.55	24.90	25.14	9.13	3.20	4.57	—	5,615.56
Depreciation for the year	3,647.96	209.77	87.45	7.72	8.61	3.39	1.38	1.73	—	3,968.01
Disposals/Adjustments	—	—	—	—	—	—	—	—	—	—
As at March 31, 2014	8,318.36	830.44	345.00	32.62	33.75	12.52	4.58	6.30	—	9,583.57
Net Book Value	Consumer Premises Equipments (CPE)	Plant and Machinery	Computers	Building	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Capital Work-in-Progress	Total
As at April 1, 2012	11,119.54	2,355.45	327.86	211.93	156.45	42.11	19.44	9.98	2,239.09	16,481.85
As at March 31, 2013	15,044.81	2,340.97	260.98	204.88	151.09	41.96	20.96	13.61	2,510.07	20,589.33
As at March 31, 2014	17,577.44	2,321.32	221.11	199.90	152.53	41.76	24.11	11.88	2,224.53	22,774.58

Property, Plant and equipment & Capital Work-in-Progress are charged by way of equitable mortgage with banks for term loans. For more details refer note no 22.

17. Intangible Assets (Restated)

(Rs. in Million)

Costs	Trademark/ Brand	Technical Know-how and Designs	Computer Software	License Fees	Total
As at April 1, 2012	818.57	274.45	322.19	100.00	1,515.21
Additions	406.74	—	84.34	—	491.08
Disposals/Adjustments	—	—	—	—	—
As at March 31, 2013	1,225.31	274.45	406.53	100.00	2,006.29
Additions	—	—	63.02	—	63.02
Disposals/Adjustments	—	—	—	—	—
As at March 31, 2014	1,225.31	274.45	469.55	100.00	2,069.31

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17. Intangible Assets (Restated) – (continued)

Accumulated amortisation and impairment losses	Trademark/ Brand	Technical Know-how and Designs	Computer Software	License Fees	Total
As at April 1, 2012	103.50	62.71	157.23	25.93	349.37
Depreciation for the year	105.06	27.44	81.49	11.11	225.10
Disposals/Adjustments	—	—	—	—	—
As at March 31, 2013	208.56	90.15	238.72	37.04	574.47
Depreciation for the year	122.53	27.44	82.81	11.11	243.89
Disposals/Adjustments	—	—	—	—	—
As at March 31, 2014	331.09	117.59	321.53	48.15	818.36
Net Book Value	Trademark/ Brand	Technical Know-how and Designs	Computer Software	License Fees	Total
As at April 1, 2012	715.07	211.74	164.96	74.07	1,165.84
As at March 31, 2013	1,016.75	184.28	167.81	62.96	1,431.80
As at March 31, 2014	894.22	156.86	148.02	51.85	1,250.95

Amortisation of licences and other intangible assets is included within Depreciation and Amortisation on the income statement. All licences have been pledged as security against borrowings.

The remaining amortisation period of licence as follows:

Particulars	2014	2013
Remaining amortization period	4 to 5 years	5 to 6 years

The Company takes on lease certain Computer Softwares under non-cancellable finance lease agreements. The lease terms range between 2 and 5 years.

Following is the net book value in relation to assets held under finance leases included above:

Net Book Value	(Rs. in Million)	
	Computer Software	
As at April 1, 2012	4.28	
As at March 31, 2013	—	
As at March 31, 2014	—	

18. Inventories

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Consumables and Spares (including Material-in-Transit)	317.13	253.17
(As taken, valued and certified by the management)		
	317.13	253.17

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19. Trade Receivables

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Trade Receivables	4.87	3.51
Less: Provisions	(0.63)	(0.18)
	4.24	3.33

The management consider that the carrying amount of trade and other receivables approximates their fair value. The allowance for estimated irrecoverable amounts of trade debtors has been determined by reference to past default experience and information on specific balances outside trade terms and is calculated by reference to the present value of anticipated future proceeds.

20. Financial and Non-Financial Assets

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Included within non-current assets		
Financial assets:		
Capital Advance	2,032.26	2.36
Prepaid Rent	110.60	112.27
Deposits	48.05	76.96
Term deposits with banks	34.10	106.27
	2,225.01	297.86
Non Financial assets:		
Prepayments and accrued income	—	—
Other Non-Financial assets	—	—
Total	2,225.01	297.86
Included within current assets		
Financial assets:		
Term deposits with banks	662.87	548.24
Interest Receivables	31.14	26.86
Other Assets	18.40	7.37
Deposits	17.99	8.14
Prepaid Rent	16.76	16.76
	747.16	607.37
Non Financial assets:		
Balance with Central Excise/VAT Authority	1,579.73	1,995.79
Prepaid Expenses	90.38	106.13
Advance Income Tax and Tax deducted at source	51.34	32.08
	1,721.45	2,134.00
Total	2,468.61	2,741.37

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20. Financial and Non-Financial Assets – (continued)

Restricted cash included in Term deposits with banks in financial assets of (March 31, 2014: Rs.696.97 million, March 31, 2013: Rs.654.51 million) represents amount given for reserves for term loan, margin for bank gurantee and bill discounting etc.

21. Cash and cash equivalents

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Balances with Banks in Current Accounts	183.55	286.22
Cash on hand	1.35	2.45
Term deposits with banks	—	5,500.00
Cash and cash equivalents as presented in the statement of cash flows	184.90	5,788.67

Bank balances comprise cash held by the Company on a short-term basis with original maturity of three months or less. The carrying amount of cash and cash equivalents approximates their fair value.

The Company's exposure to credit, currency and interest rate risks relating to cash and cash equivalents, together with a sensitivity analysis, is detailed in note 29.

22. Borrowings

Carrying value and fair value information

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Non Current (long-term)		
Long-term borrowings		
Term loans from banks	23,533.25	19,909.40
Less: Reclassified under current financial liabilities	(23,533.25)	(19,909.40)
	—	—
included in current financial liability		
Long-term borrowings – Reclassified under current financial liabilities	23,533.25	19,909.40
Current Maturities of Term loans from banks	4,355.20	3,093.10
	27,888.45	23,002.50
Current (short-term)		
Loans from other parties	2,250.00	2,250.00
Term loans from bank	—	3,250.00
	2,250.00	5,500.00

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22. Borrowings – (continued)

- (1) Term Loans from banks are secured by:
- (a) First pari-passu charge by way of equitable mortgage on the entire immovable assets, hypothecation of entire movable assets, both present and future.
 - (b) Assignment of contracts relating to transponder capacity, all government authorizations, license and insurance policies, if any, or a negative lien, if contracts are not assignable.
 - (c) Charge on Escrow Accounts and Debt Service Reserve Account.
 - (d) Personal Guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

Name of the Guarantor	Sanctioned Amount as on March 31, 2014 (Rs. in Million)	Outstanding as on March 31, 2014 (Rs. in Million)
Mr. Venugopal N. Dhoot	33,100.00	27,888.45
Mr. Pradipkumar N. Dhoot		

- (2) A part of term loans are secured by first pari-passu charge on entire current assets of the Company, present and future.
- (3) A part of term loans from banks are further secured by corporate guarantee of Videocon Industries Limited.
- (4) The term loans from Banks are secured by:
 - (a) A part of loans from banks are secured by Pledge of 30% shares of the Company.
 - (b) A part of loans from banks are secured by Non-Disposal undertaking of 21% shares of the Company.
- (5) During the year, the company had breached certain provision of long term loan agreements with the banks, such as delay in payment of interest and installments and breach of certain covenants. However, in absence of any communication from bank declaring it as an event of default or for enforcing acceleration of payment of entire loan amount, the repayment schedule remained unchanged. The Company, therefore, had classified the term loans as non-current liabilities. However, since the company has not obtained from lenders a specific waiver of their right to accelerate the repayment of entire loan amount by the reporting date, the management has now decided to classify these long term loan as current liabilities.
- (6) The floating rate of interest in each loan facility is as follows:

Name of Banks	As of March 31, 2014	
	Amount (Rs. in Million)	Interest Rate %
<u>Secured Loans</u>		
Central Bank of India	2,370.75	13.25% – 14.50%
IDBI Bank Limited	5,890.00	13.75% – 14.50%
Bank of Baroda	2,427.70	14.50%
ICICI Bank Limited	3,000.00	13.50%
Karur Vysa Bank Limited	500.00	13.25%
Canara Bank	3,700.00	13.00% – 13.50%

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22. Borrowings – (continued)

Name of Banks	As of March 31, 2014	
	Amount (Rs. in Million)	Interest Rate %
Jammu and Kashmir Bank Limited	1,000.00	13.75%
Syndicate bank	1,000.00	13.25%
Dena Bank	1,000.00	13.25%
Oriental Bank of Commerce	1,000.00	13.50%
Bank of India	2,000.00	13.50%
Bank of Maharashtra	1,000.00	13.00%
Union Bank of India	1,500.00	13.00%
United Bank of India	1,500.00	13.25%
Total Term Loan from banks	27,888.45	

(7) The Company has made certain defaults in repayment of Term Loans and interest. The details of continuing defaults as at 31st March, 2014, are as follows:

Particulars	(Rs. in Millions)	
	1 to 30 days	31 to 59 days
Principal amount of Rupee Term Loan	108.35	487.50
Interest on Rupee Term Loan	—	378.54

(8) As per the original repayment terms, the term loan from banks are repayable as below —

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
	Within one year	4,355.20
Between One and three year	8,541.88	6,784.40
Between three and five years	7,183.12	7,800.10
Over five years	7,808.25	5,324.90
Total	27,888.45	23,002.50

Repayment of Term Loan from bank is considered as Gross basis, processing fees is not considered in repayment schedule in note no. 8 above.

(9) The Loan from other parties are repayable on demand.

(10) The rate of interest of loans from other parties is SBI PLR minus 2%

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23. Financial and Non-Financial Liabilities

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Included within Non-current liabilities:		
Non-Financial liabilities:		
Income Received in Advance	2,668.99	2,376.74
	2,668.99	2,376.74
Included within current liabilities:		
Financial liabilities:		
Long-term borrowing – Reclassified under current financial liabilities	23,533.25	19,909.40
Current Maturities of Term loans from banks	4,355.20	3,093.10
Payable for capital expenditure	643.14	1,613.41
Interest Accrued and due on Borrowings	378.54	—
Interest Accrued but not due on Borrowings	346.42	255.18
	29,256.55	24,871.09
Non-Financial liabilities:		
Income Received in Advance	4,104.47	3,523.47
Others	1,492.99	990.09
	5,597.46	4,513.56

24. Post employment benefits — Gratuity

Particulars	Gratuity (Rs. in Million)
As at April 1, 2012	18.25
Addition/adjustments during the year	9.07
As at March 31, 2013	27.32
Addition/adjustments during the year	4.35
As at March 31, 2014	31.67

Provisions have been analysed between current and non-current as follows:

Particulars	Gratuity (Rs. in Million)
As at March 31, 2014	
Current	1.81
Non-current	29.87
As at March 31, 2013	
Current	1.54
Non-current	25.78

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24. Post employment benefits — Gratuity – (continued)

Defined Benefit Plans — Gratuity:

The plan provides for a lump sum payment to vested employees, at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

Defined benefit plans as per actuarial valuation — Gratuity

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
a. The amounts recognized in the Balance Sheet as at the end of the year		
1. Present Value of Defined Benefit Obligation	31.67	27.32
2. Fair value of plan assets	—	—
3. Funded Status – Surplus/(Deficit)	(31.67)	(27.32)
4. Net Assets/(Liability)	(31.67)	(27.32)
b. The amounts recognized in the Statement of Profit and Loss for the year		
1. Current Service Cost	7.13	5.83
2. Interest Cost	2.25	2.09
3. Actuarial (Gains)/Losses	(3.21)	1.48
4. Past Service Cost	—	—
5. Total Expenses	6.18	9.40
c. The changes obligations during the year		
1. Present value of Defined Benefit Obligation at the beginning of the year	27.32	18.25
2. Current Service Cost	7.13	5.83
3. Interest Cost	2.25	2.09
4. Past Service Cost	—	—
5. Actuarial (Gain)/ Losses	(3.21)	1.48
6. Benefit Payments	(1.82)	(0.33)
7. Present value of Defined Benefit Obligation at the end of the year	31.67	27.32

Actuarial Assumptions: Gratuity

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Discount Rate	9.31%	8.25%
Mortality	Indian Assured Lives Mortality (2006 – 08) Ultimate	Indian Assured Lives Mortality (2006 – 08) Ultimate
Salary Escalation	5%	5%
Attrition Rate	2%	2%

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

25. Others employment benefits

Particulars	Leave Encashment (Rs. in Million)
As at April 1, 2012	13.53
Addition/adjustments during the year	5.65
As at March 31, 2013	19.18
Addition/adjustments during the year	2.02
As at March 31, 2014	21.20

Provisions have been analysed between current and non-current as follows:

Particulars	Leave Encashment (Rs. in Million)
As at March 31, 2014	
Current	3.01
Non-current	18.19
As at March 31, 2013	
Current	2.51
Non-current	16.67

Defined Contribution Plan

The Company makes Provident Fund contributions to defined contribution plan administered by the Regional Provident Fund Commissioner.

Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. The Company has recognised Rs.33.76 million for Provident Fund contributions in the income statement for the year ended March 31, 2014 (March 31, 2013: Rs.31.34 million). The contributions payable by the Company are in accordance with rules framed by the Government of India from time to time.

Defined benefit plans as per actuarial valuation — Leave Encashment

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
a. The amounts recognized in the Balance Sheet as at the end of the year		
1. Present Value of Defined Benefit Obligation	21.20	19.18
2. Fair value of plan assets	—	—
3. Funded Status – Surplus/(Deficit)	(21.20)	(19.18)
4. Net Assets/(Liability)	(21.20)	(19.18)
b. The amounts recognized in the Statement of Profit and Loss for the year		
1. Current Service Cost	3.64	3.93
2. Interest Cost	1.58	1.30
3. Actuarial (Gains)/Losses	4.37	5.72

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

25. Others employment benefits – (continued)

Particulars	For the years ended	
	March 31, 2014 (Rs. in Million)	March 31, 2013 (Rs. in Million)
4. Past Service Cost	—	—
5. Total Expenses	9.59	10.95
c. The changes obligations during the year		
1. Present value of Defined Benefit Obligation at the beginning of the year	19.18	13.53
2. Current Service Cost	3.64	3.93
3. Interest Cost	1.58	1.30
4. Past Service Cost	—	—
5. Actuarial (Gain)/Losses	4.37	5.72
6. Benefit Payments	(7.57)	(5.31)
7. Present value of Defined Benefit Obligation at the end of the year	21.20	19.18

Actuarial Assumptions: Leave Encashment

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Discount Rate	9.31%	8.25%
Mortality	Indian Assured Lives Mortality (2006 – 08) Ultimate	Indian Assured Lives Mortality (2006 – 08) Ultimate
Salary Escalation	5%	5%
Attrition Rate	2%	2%

26. Commitments

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Contracts for future capital expenditure not provided in the financial statements	160.67	82.12

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

27. Contingent liabilities

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
DTH license fees (Refer below Note 1)	2,483.93	1,582.89
Counter guarantees given for guarantees given by the bankers	592.58	587.05
Entertainment tax (Refer below Note 2)	80.47	45.27
Tax deducted at source (Refer below Note 3)	74.36	50.52
Letters of credit opened by a bank	2.27	68.92
Value Added Tax (Refer below Note 4)	0.50	—
	3,234.11	2,334.65

Note 1: DTH License fee is calculated on adjusted gross revenue in accordance with the judgment given by TDSAT in the petition No. 92(C) and 93 (C) of 2009 dated 28th May 2010 and the same is provided for in the books of accounts. During the year, Company has received a letter from Ministry of Information & Broadcasting demanding Rs.1,582.89mn (including interest) for additional license fees on the difference between gross revenue and adjusted gross revenue upto financial year 2012 – 13. The Company has filed a petition before TDSAT and an interim stay has been granted for the payment of this demand. As per the stand of Ministry of Information and Broadcasting there would be an additional license fees for financial year 2013 – 14 of Rs.901.04mn. Pending the matter for further hearing, no provision is considered necessary by the management.

Note 2: In respect of Entertainment Tax in various States, the Company has preferred appeals/writ petitions in the High Court/Supreme Court challenging the applicability of Entertainment Tax. Pending the final outcome of these appeals/petitions, the Company has paid under protest and provided for the disputed liability, except for the disputed amount of Rs.80.47mn for March 31, 2014 (Rs.45.27mn for March 31, 2013 and Rs.37.36 million).

Note 3: The Company had received demand notices for non-deduction of income tax at source from certain payments and interest thereon aggregating to Rs.39.66mn for Assessment Year 2010 – 11, Rs.231.98mn for Assessment Year 2011 – 12 and Rs.214.67mn for Assessment Year 2012 – 13. The Company had filed appeals against the said orders and demand notices. The appeals for Assessment years 2010 – 11 and 2011 – 12 have been disposed off by the CIT (A) who has granted substantial relief. Based on the decisions of the first appellate authority, the Company has received orders from the DCIT (TDS) revising the demand at Rs.12.70mn for the Assessment Year 2010 – 11, and Rs.19.40mn for the Assessment Year 2011 – 12. The Company has preferred appeal before ITAT for Assessment Year 2010 – 11 and 2011 – 12. DCIT (TDS) has also rectified the order for Assessment year 2012 – 13 and revised the demand to Rs.70.92mn. The Company has provided for Rs.1.81mn for the Assessment Year 2010 – 11, Rs.14.31mn for Assessment Year 2011 – 12 and Rs.12.53mn for Assessment Year 2012 – 13 and no further provision is considered necessary by the management.

Note 4: The Company has also received a demand notice of Rs.0.50mn for the financial year 2013 – 14 for difference of VAT in the state of Tripura. The Company has contested the said demand and is in the process of filing the appeal. The Company is of the view that eventually there will not be any substantial liability on this account and hence no provision is necessary.

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

28. Related Party

The Company's related parties are its Key Management Personnel. Company's related parties and transactions with those related parties are as follows:

List of related parties

Name of Key Management Personnel —

Mr. Saurabh P. Dhoot (Whole Time Director)
Mr. Anil Khera (Chief Executive Officer)
Mr. Pradeep Ramwilas Rathi (Non — Executive, Independent Director)
Mr. Nabankumar Gupta (Non — Executive, Independent Director)
Mr. Shivratn Jeetmal Taparia (Non — Executive, Independent Director)
Mr. Karunchandra Srivastava (Non — Executive, Independent Director)

Relative of Key Management Personnel (with whom transactions have taken place)

Mrs. Shelly Anil Khera (Wife of Mr. Anil Khera)

Others

C E India Limited
Infodart Technologies India Limited
Quadrant Televentures Limited
PE Electronics Limited
Planet M Retail Limited
Tekcare India Private Limited
Trend Electronics Limited
Value Industries Limited
Videocon Industries Limited
Videocon Telecommunications Limited
Force Appliances Private Limited
Jubilant Logistic Limited
KAIL Limited
Next Retail India Limited
Techno Electronics Limited
Topaki Media Private Limited
Universal Digital Connect Limited

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

28. Related Party – (continued)

Details of transactions with related parties

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Payment of salaries/remuneration/perquisites		
Key Management Personnel		
Mr. Anil Khera	10.11	10.48
Rent paid		
Relative of Key Management Personnel		
Mrs. Shelly Anil Khera (Inclusive of Service Tax)	1.15	1.22
Sitting Fees		
Key Management Personnel		
Mr. Pradeep Ramwilas Rathi	0.08	0.06
Mr. Nabankumar Gupta	0.14	0.08
Mr. Shivratan Jeetmal Taparia	0.02	0.02
Mr. Karunchandra Srivastava	0.21	0.11
Brand royalty		
Key Management Personnel		
Mr. Saurabh P. Dhoot	0.05	0.05
Others		
C E India Limited	0.51	0.53
IT Support Expenses		
Infodart Technologies India Limited	39.25	22.82
Call Centre Expenses		
Quadrant Televentures Limited	37.37	5.44
Videocon Telecommunications Limited	12.90	84.55
Business Support Expenses		
Videocon Industries Limited	125.87	0.00
Schemes Expenses		
PE Electronics Limited	2.47	0.67
Universal Digital Connect Limited	0.39	-2.73
Purchase of Assets		
Planet M Retail Limited	0.13	1.61
Trend Electronics Limited	5,832.31	6,753.48
KAIL Limited	52.94	0.00
Next Retail India Limited	0.02	0.01
Purchase of Spares		
Tekcare India Private Limited	1.92	0.13
Videocon Industries Limited	7.56	16.21

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

28. Related Party – (continued)

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Techno Electronics Limited	0.00	0.34
Finance Cost		
Videocon Industries Limited	4.75	63.67
Marketing Expenses		
Topaki Media Private Limited	137.25	151.67
Sales and Revenue		
Tekcare India Private Limited	0.01	0.01
Universal Digital Connect Limited	18.97	8.11
Unsecured Loan and Advances		
Videocon Industries Limited	-241.04	2,280.47
Universal Digital Connect Limited	-34.75	-3.47

Amount due to related parties -

Particulars	As at March 31, 2014 (Rs. in Million)	As at March 31, 2013 (Rs. in Million)
Rent payable to relative of Key Management Personnel	—	0.03
Others Payable		
C E India Limited	0.51	—
Infodart Technologies India Limited	4.86	6.15
Quadrant Televentures Limited	9.20	5.05
PE Electronics Limited	5.69	0.75
Tekcare India Private Limited	2.10	0.13
Trend Electronics Limited	—	898.35
Videocon Industries Limited	2,250.00	2,534.40
Videocon Telecommunications Limited	13.54	152.41
KAIL Limited	47.52	—
Techno Electronics Limited	0.34	0.34
Topaki Media Private Limited	120.01	128.53
Others Receivable		
Planet M Retail Limited	19.32	14.33
Trend Electronics Limited	2,031.38	—
Value Industries Limited	—	0.13
KAIL Limited	—	0.03
Next Retail India Limited	2.25	2.72
Universal Digital Connect Limited	30.35	32.05

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

29. Capital and financial risk management

I. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to manage its borrowings using mixture of long-term and short-term borrowing facilities, including money market borrowings and other instruments permitted under its Treasury Policy, to meet anticipated funding requirements.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the Statement of financial position plus net debt.

The gearing ratio at March 31, 2014 and March 31, 2013 were as follows:

Particulars	As at March 31, 2014	As at March 31, 2013
Total borrowings	30,138.45	28,502.50
Less: Cash and cash equivalents	(184.90)	(5,788.67)
Net Debt	29,953.55	22,713.83
Total Equity	(6,314.06)	(3,118.58)
Total capital	(6,315.06)	(3,118.58)
Gearing ratio (Net debt/Total capital)	N.A.	N.A.

Until March 31, 2014, the Company was to have aggregate fixed deposits of Rs.696.97 million (Rs.654.51 million for March 31, 2013) subject to the borrowing requirement. This Company's obligation ceased with the repayment of the respective term loan facility.

The Company is in process of raising more funds through equity to repay some existing debts so as to maintain the gearing ratio in line with the industry.

II. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by a treasury department (company treasury) as per the policy of the Company. Company treasury identifies, evaluates and hedges financial risks if any in close co-operation with the company's operating units. The policy covers the areas of overall risk management, including foreign exchange risk, interest rate risk, credit risk, liquidity risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The major financial instruments of the Company include cash and bank deposits, trade and other receivables, trade and other payables and borrowings. Details of these financial instruments are disclosed in the respective notes to the financial statements. The risk management approach of the Company is aimed to minimize the financial risks for the business.

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

29. Capital and financial risk management – (continued)

a) Market Risk

(i) Foreign exchange risk

The company operates in local market and carries no major foreign currency risk, except for trade payables in respect of imports made by the company. However according to the management there is no material impact of the same. Trade payables in foreign currencies as on March 31, 2014 INR 479 million (March 31, 2013 INR 527 million). The impact of foreign exchange sensitivity of 5% strengthening or weakening on the payables is INR 23 million.

The sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the INR computed from historical data and assuming all other information to be constant.

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash held at variable rates.

In respect of borrowing on floating rates the Company negotiates exit options without break-costs on interest reset dates wherever possible.

The table below shows the Company's sensitivity to interest rates on floating rate bank borrowings on profit or loss and equity:

<u>Particulars</u>	Rs. in Million	
	For the year ended	
	March 31, 2014	March 31, 2013
1% strengthening of rates	278.88	262.53
1% weakening in rates	278.88	262.53

The profile of Company's borrowings as at March 31, 2014 and March 31, 2013 is provided on Note 22.

(iii) Price risk

The Company is not exposed to any price risk as the Company does not have any investment.

b) Credit risk

Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It principally arises from deposits with banks and others, trade and other receivables mainly linked to the credit exposures of customers.

The Company maintains its Cash and cash equivalents, Derivative financial instruments, Bank deposits with banks and financial institutions having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Trade receivables of the Company are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which Company grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. The Company has no concentration of credit risk as the customer base is geographically distributed in India.

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

29. Capital and financial risk management – (continued)

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. It also maintains varied maturity profile with a cap on the level of debt maturing in any one calendar quarter, therefore minimising refinancing risk. Long-term borrowings generally mature between one and 8 years. Liquidity is reviewed on a daily basis based on weekly cash flow forecast.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the company's policies and procedures include specific guidelines to focus on the maintaining existing subscriber's base, adding new subscribers and developing innovative products.

30. Events occurring after balance sheet date —

- (i) The Company has filed draft red herring prospectus as on September 29, 2014 to Security and Exchange Board of India ("SEBI") for raising capital of Rs.7000 mn.
- (ii) Company has entered into a master service franchisee agreement with a vendor, for outsourcing its installaiton related services.
- (iii)(a) The Company has received show cause notice dated June 13, 2014 from Commissioner of Customs, Central Excise and Service Tax, Noida with regard to service tax on Advance Usage charges i.e., rental charges collected from the subscribers towards the usage of Set Top Boxes by the subscribers. The amount of service tax involved is Rs.694.47mn (excluding interest) for the period from April 2009 to December 2013. The Company is in the process of filing the reply to the said notice and in the opinion of the management no provision is required against the same.

(b) The Company has also received show cause notice dated October 22, 2014 from Directorate General of Central Excise Intelligence, Mumbai Zonal Unit with regard to reverse of Cenvat Credit of Rs.391.77 mn availed during the financial years 2009 – 10 to 2013 – 14 on deactivated consumer premises equipments at customer premises. The Company is in the process of filing the reply to the said notice and in the opinion of the management no provision is required against the same. The Company has also received show cause notice dated October 10, 2014 from Commissioner of Customs, Central Excise and Service Tax, Noida in same matter.
- (iv) Through show cause notices dated August 22, 2014 and October 16, 2014, the Commercial Taxes Department, Government of Telangana has computed entertainment tax liability on Videocon d2h amounting to Rs.91.30 million for the fiscal years 2012 through 2014, and directed it to file its written objections to such liability failing which a final order will be issued by the department. Videocon d2h, through a letter dated November 19, 2014, to the Entertainment Tax Officer, Hyderabad Circle, sought that the show cause notice be kept in abeyance until the issues raised in relation to applicability of relevant Entertainment Tax Act in the state of Telangana, validity of the show cause notice, and the quantum of the tax computed are resolved and no further communication has been received from the department.

Videocon d2h Limited — Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the year ended March 31, 2014

30. Events occurring after balance sheet date — – (continued)

- (v) In September 2014, the Sales Tax department had conducted investigation at office premises of the Company and has vide letter dated December 15, 2014 communicated its findings and observations relating to alleged incorrect levy and collection of Value Added Tax by the Company and has asked the Company to submit its response on such observations. The Company is in the process of submitting the detailed reply. The management expects no additional liability in this regard.

31. Approval of the financial statements

The financial statements of the Company for the year ended March 31, 2014 (Restated — Note 2(b)) were approved and authorized for issue by the Board of Directors of the Company on March 2, 2015. The previously issued financial statements of the Company for the period ended March 31, 2014 were approved and authorized for issue by the Board of Directors of the Company on December 27, 2014.

For and on behalf of the Board

SAURABH P. DHOOT

Executive Director

Place: Mumbai

Date: March 2, 2015

K.C. SRIVASTAVA

Director

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of
Videocon d2h Limited
(formerly known as Bharat Business Channel Limited)**

We have reviewed the accompanying interim financial statements (restated) of **Videocon d2h Limited (formerly known as Bharat Business Channel Limited) (the "Company")** as of September 30, 2014 and for the six month period then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these interim financial statements (restated) in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRS') and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial statement (restated) consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Opinion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statement (restated) for it to be in conformity with the IFRS.

Other matter

As discussed in Note 2(a) to the Interim financial statements (restated), the Company has incurred a loss of INR 1,171.24 mn during the six month period ended September 30, 2014 and has accumulated losses amounted to INR 15,745.30 mn as at September 30, 2014 resulting into erosion of its net worth. Further, the Company has breached certain provisions of the long term loan agreements with the banks such as delay in payment of interest and instalments and breach of certain covenants. As a result, these long term borrowings have been classified as current liabilities and the current liabilities exceed the current assets manifolds. These factors raise significant doubt that the entity will be able to continue as a going concern. Should the bank enforce acceleration of repayment of loans, the Company may have insufficient liquidity and/or would be unable to meet its financial covenants. However, after considering the factors described above, the management has a reasonable expectation that the bank will not enforce acceleration of repayment. The management is also confident of meeting its funds requirements in the future and generating cash flow from business operations through increasing its subscriber's base. Accordingly, these interim financial statements (restated) have been prepared on going concern basis. The interim financial statements (restated) do not include the adjustments that would result if the Company was unable to continue as a going concern.

As discussed in Note 2(b) to the Interim financial statements (restated), the financial statements as of September 30, 2014 have been restated.

**Khandelwal Jain & Co.
Chartered Accountants**

Place: Mumbai, India
Date: March 2, 2015

Videocon d2h Limited
Interim Financial Statements
September 30, 2014 (Restated)

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Income Statement (Restated)

	Note	for the period ended	
		September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
INCOME			
Revenue from operations	7	11,108.97	8,113.04
		11,108.97	8,113.04
EXPENSE			
Operating expense	9	6,470.58	5,071.58
Employee benefits expense	10	488.40	432.14
Administration and other expenses	11	283.46	302.88
Selling and distribution expenses	12	938.71	888.53
Depreciation, amortization and impairment	16 & 17	2,528.96	2,014.39
Total Expenses		10,710.11	8,709.52
Profit/(Loss) from operations		398.86	(596.48)
Finance costs/Finance Income (Net)	13	(2,094.51)	(2,147.83)
Other Income	8	0.43	0.77
Profit/(loss) before tax		(1,695.22)	(2,743.54)
Exceptional item (net of tax)		—	—
Profit/(Loss) before tax		(1,695.22)	(2,743.54)
Income tax expense			
Current tax	14	—	—
Deferred tax	14	(523.98)	(847.75)
Profit/(Loss) after tax		(1,171.24)	(1,895.79)
Basic and Diluted earning per share	15	(4.84)	(7.83)

Videocon d2h Limited — Interim Financial Statements (Restated)

(All amounts are in INR Million)

Statement of Financial Position (Restated)

	Note	As At	
		September 30, 2014 (Rs. in Million)	March 31, 2014 (Rs. in Million)
Assets			
Non-current Assets			
Property, Plant and equipment & Capital Work-in-Progress	16	24,558.30	22,774.61
Intangible Assets	17	1,140.27	1,250.93
Other Financial Assets	20	1,775.56	2,225.01
Deferred Tax Assets (Net)		7,014.24	6,490.26
Total non-current assets		34,488.37	32,740.81
Current Assets			
Inventories	18	444.61	317.13
Trade Receivables	19	1.56	4.24
Other Financial Assets	20	891.79	747.16
Other Non-Financial Assets	20	1,133.35	1,721.45
Cash and cash equivalents	21	115.13	184.90
Total current assets		2,586.44	2,974.88
Total Assets		37,074.81	35,715.69
Equity			
Share Capital		2,420.00	2,420.00
Share Premium		5,840.00	5,840.00
Retained earnings		(15,745.30)	(14,574.06)
Total Equity		(7,485.30)	(6,314.06)
Liabilities			
Non-current Liabilities			
Long-term borrowings	22	—	—
Other Non-Financial Liabilities	23	2,840.18	2,668.99
Post employment benefits	24	35.13	29.87
Others employment benefits	25	22.75	18.19
Total non-current liabilities		2,898.06	2,717.05
Current Liabilities			
Short-term borrowings	22	2,250.00	2,250.00
Trade Payable		1,855.20	2,203.87
Other Non-Financial Liabilities	23	7,789.13	5,597.46
Other Financial Liabilities	23	29,761.84	29,256.55
Post employment benefits	24	2.12	1.81
Others employment benefits	25	3.76	3.01
Total current liabilities		41,662.05	39,312.70
Total Liabilities		44,560.11	42,029.75
Total equity and liabilities		37,074.81	35,715.69

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Statement of Cash flows (Restated)

	Note	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Cash flows from operating activities Profit before Tax		(1,695.22)	(2,743.54)
Adjustments for:			
Depreciation, Amortization and Impairment		2,528.96	2,014.39
Finance Costs		2,126.70	2,211.60
Interest Income		(32.19)	(63.77)
Employee benefits expenses		10.89	9.05
Liabilities/provisions no longer required written back		0.96	—
Operating cash flow before changes in assets and liabilities		2,940.10	1,427.73
Decrease/(increase) in inventories		(127.48)	(133.65)
Decrease/(increase) in trade receivables		3.63	(6.97)
Decrease/(increase) in other financial and non-financial assets		872.20	(5,377.10)
Increase/(decrease) in trade payable		(348.67)	(503.43)
Increase/(decrease) in other financial and non-financial liabilities		2,045.06	1,038.62
Cash generated from operations		5,384.84	(3,554.80)
Income tax paid		(20.71)	11.25
Net cash inflow from operating activities		5,405.55	(3,566.05)
Cash flows from investing activities			
Purchase of intangible assets		(10.13)	(43.13)
Property, Plant and equipment & Capital Work-in-Progress		(4,196.95)	(3,106.57)
Decrease in Capital Work-in-Progress & Disposal of Property, Plant and equipment		3.18	—
Interest Income		32.19	63.77
Net cash flow from investing activities		(4,171.71)	(3,085.93)
Cash flows from financing activities			
Proceeds from borrowings		2,750.00	4,333.25
Repayment of borrowings		(1,926.91)	(1,055.60)
Interest & other borrowing costs paid		(2,126.70)	(2,211.60)
Net cash flow from financing activities		(1,303.61)	1,066.05
Net increase/(decrease) in cash and cash equivalents during the period/year		(69.77)	(5,585.93)
Cash and cash equivalents at beginning of the financial period/year	21	184.90	5,788.67
Cash and cash equivalents at end of the financial period/year	21	115.13	202.74

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Notes to Financial Statements for the period ended September 30, 2014

(Restated)

Statement of Changes in Equity

	Called up share capital	Share premium	Share Application Money	Retained earnings	Accumulated Other Comprehensive Income/(Loss)	Total
Balance as at April 01, 2013	2,420.00	5,840.00	—	(11,378.58)	—	(3,118.58)
Loss for the period	—	—	—	(1,895.79)	—	(1,895.79)
Balance as at September 30, 2013	2,420.00	5,840.00	—	(13,274.37)	—	(5,014.37)
Loss for the period	—	—	—	(1,299.69)	—	(1,299.69)
Balance as at March 31, 2014	2,420.00	5,840.00	—	(14,574.06)	—	(6,314.06)
Loss for the period	—	—	—	(1,171.24)	—	(1,171.24)
Balance as at September 30, 2014	2,420.00	5,840.00	—	(15,745.30)	—	(7,485.30)

Share Capital

Particulars	As at September 30, 2014		As at March 31, 2014		As at September 30, 2013	
	No of Shares (in Nos)	Value (Rs. in Million)	No of Shares (in Nos)	Value (Rs. in Million)	No of Shares (in Nos)	Value (Rs. in Million)
Authorized shares	500,000,000	5,000.00	500,000,000	5,000.00	500,000,000	5,000.00
<i>(Equity Shares of Rs.10/- each)</i>						
Ordinary shares of Rs.10 allotted, issued and fully paid	242,000,000	2,420.00	242,000,000	2,420.00	242,000,000	2,420.00
Allotted during the period/year	—	—	—	—	—	—
As at March 31	242,000,000	2,420.00	242,000,000	2,420.00	242,000,000	2,420.00

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

The company issued 60,000,000 Equity Shares of Rs.10/- each at a premium of Rs.40 Per Equity Share aggregating to Rs.3,000 mn as on September 28, 2012, against Share Application money of Rs.3,000 mn received in Financial year 2011 – 12.

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Notes to Financial Statements for the period ended September 30, 2014

1. Corporate information

Videocon d2h Limited is a limited company incorporated and domiciled in India under the Companies Act, 1956 of India. The name of the Company was changed from Bharat Business Channel Limited to the current name now, Videocon d2h Limited on July 1, 2014. The registered office is located at Auto Cars Compound, Adalat Road, Aurangabad, 431005, Maharashtra, India.

The company is engaged in the business of providing Direct to Home (DTH) services to its subscribers. The company has entered into a license agreement with the Ministry of Information and Broadcasting to provide DTH services in India. The DTH services are rendered to the subscribers through Consumer Premises Equipment (CPE) used for receiving and broadcasting DTH signals at subscriber's premises.

2. Basis of preparation

- a. These financial statements have been prepared in accordance with the International Financial Reporting Standards ('IFRS') and IFRIC interpretations, as issued by the International Accounting Standards Board. These financial statements have been prepared under the historical cost convention, as modified by financial assets/financial liabilities at fair value through statement of Income.

These financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at September 30, 2014. The policies set out below have been consistently applied to all the period/years presented.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 & 5. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The financial statements provide comparative information in respect of the previous periods. In addition, the company presents an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

The Company has incurred a loss of INR 1,895.79 mn and INR 1,171.24 mn during the period ended September 30, 2013 and September 30, 2014 respectively and has accumulated losses amounting to INR 14,574.06 mn and INR 15,745.30 mn as at September 30, 2013 and September 30, 2014, respectively resulting into erosion of its net worth. Further, the Company has breached certain provisions of the long term loan agreements with the banks such as delay in payment of interest and installments and breach of certain covenants. As a result, these long term borrowings have been classified as current liabilities and the current liabilities exceed the current assets manifold. These factors raise significant doubt that the entity will be able to continue as a going concern. Should the bank enforce acceleration of repayment of loans, the Company may have insufficient liquidity and/or would be unable to meet its financial covenants. However, after considering the factors described above, the management has a reasonable expectation that the bank will not enforce acceleration of repayment. The management is also confident of meeting its funds requirements in the future and generating cash flow from business operations through increasing its subscriber's base. Accordingly, these financial statements have been prepared on going concern basis. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Videocon d2h Limited — Interim Financial Statements (Restated)
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Notes to Financial Statements for the period ended September 30, 2014

2. Basis of preparation – (continued)

- b. Subsequent to the original issuance of company's financial statement, the company has restated its financial statement to classify long term loans to current liabilities (refer note no. 22) and consequential impact that processing fees paid which was amortized over the terms of loan in original financial statement is now charged to income statement in the period/year in which it is incurred. The company has also included certain parties under its related party disclosure in the financial statement as restated (refer note no. 28).

3. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the company.

The following new standards or interpretations have not been applied for the period ended 30st September 2014.

STANDARDS OR INTERPRETATIONS	EFFECTIVE DATE
IFRS 9 – Financial Instruments	1 January 2018
IFRS 14 – Regulatory Deferral Accounts	1 January 2016
IFRS 15 – Revenue from contracts with Customers	1 January 2017

IFRS 9 *Financial Instruments*

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* which reflects all phases of the financial instruments project and replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but no impact on the classification and measurement of the Company's financial liabilities.

IFRS 14 *Regulatory Deferral Accounts*

IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. IFRS 14 is effective for annual periods beginning on or after 1 January 2016. Since the Company is an existing IFRS preparer, this standard would not apply.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

Videocon d2h Limited — Interim Financial Statements (Restated)
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Notes to Financial Statements for the period ended September 30, 2014

4. Significant accounting policies

4.1 Intangible assets

Intangible Assets which includes License Fees, Computer Software, Technical Know-how and Trade Mark/Brand, are measured at cost of acquisition and are stated at cost less accumulated amortization and impairment, if any. Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition 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 or loss when the asset is derecognised.

a) Licence fees:

Acquired licenses are initially recognised at cost. Subsequently, license fees are measured at cost less accumulated amortisation and accumulated impairment loss, if any.

Amortisation period for license fees is determined primarily by reference to the unexpired license period. Amortisation is charged to the income statement on a straight-line basis over the period of license. The useful life of license is 10 years.

b) Computer software

Computer software comprises of computer softwares purchased from third parties. Computer software licenses are capitalised on the basis of all the costs incurred to acquire and bring into use the specific purpose.

Software integral to a related item of hardware equipment is accounted for as property, plant and equipment. Costs associated with maintaining computer software programs are recognised as an expense when they are incurred.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives from the date the software is available for use. The useful economic life is estimated at 5 years.

c) Trademarks/Brand/Technical know-how and Designs

Trademark/Brand/Technical know-how and Designs are measured at cost and are amortised on straight line basis over its useful life which is the shorter of the license term and the useful economic life. The useful economic life is estimated at 10 years.

4.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment loss, if any. The cost is inclusive of freight, installation cost, duties, taxes, borrowing cost and other incidental expenses for bringing the asset to its working conditions for its intended use but net of CENVAT and Value Added Tax, wherever input credit is claimed.

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Notes to Financial Statements for the period ended September 30, 2014

4. Significant accounting policies – (continued)

When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repair and maintenance costs are recognized in Income statement as incurred.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, using the straight-line method, over their estimated useful lives, as follows:

Assets	Useful Life
Land and Building	
Building	30 Years
Equipment & Machinery	
Plant and Machinery	13 – 15 years
Consumer Premises Equipment	7 Years
Computer hardware	3 – 6 years
Other assets (Furniture & Fixtures and Vehicle)	
Furniture & Fixtures	10 years
Vehicles	8 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

4.3 Impairment of assets

Property, plant and equipment and intangible assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is

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Notes to Financial Statements for the period ended September 30, 2014

4. Significant accounting policies – (continued)

recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.4 Revenue

- a) Subscription revenue from DTH services is recognized on accrual basis on rendering of the services and is net of service tax and any discount given.
- b) Activation revenue is recognized on the completion of activation services and is net of service tax and any discount given.
- c) Revenue from installation is recognized on completion of the installation services and is net of service tax.
- d) Revenue on account of sale of Set Top Box (STB), accessories and goods is recognized when the goods are dispatched and are stated net of Sales tax/VAT, discounts and rebates.
- e) Lease rentals are recognized as revenue as per the terms of contract of operating lease over the period of lease on straight line basis.
- f) Other services like carriage fees and advertisement revenue are recognized on rendering of the service and are net of service tax.
- g) Interest income is recognized on time proportion basis taking into account the amount invested and the rate of interest.
- h) Revenue and Expenditure on account of Free Commercial Time (FCT) granted by the broadcaster/s is recognised as and when same is utilised.

4.5 Inventories

Inventories is stated at the lower of cost and net realisable value. Cost is determined on weighted average basis and comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition.

4.6 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as an assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments as determined at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. The corresponding rental obligations, net of finance charges, are included in Trade and other payables. Finance charges are recognised in the income statement.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Arrangement containing lease

The determination of whether an arrangement is, or contains, a lease is based on the substance of arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

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Notes to Financial Statements for the period ended September 30, 2014

4. Significant accounting policies – (continued)

4.7 Foreign currencies

a) Functional and presentation currency

The financial statements of the company are presented in Indian Rupees ('INR') which is the functional currency of the Company.

b) Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the respective functional currency at the rates prevailing on the reporting period date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting period-end date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'Administration & Other expenses' (net).

4.8 Employment benefits

a) Short Term Employees Benefits

All employee benefits payable within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc., are recognized in the Income Statement in the period in which the employee renders the related service.

b) Long Term Employee Benefits

i) Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employees and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. The Company's contributions to both these schemes are expensed. The Company has no further obligations under these plans beyond its monthly contributions.

ii) Gratuity

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The present value of obligation under gratuity is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Income Statement as income or expenses.

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Notes to Financial Statements for the period ended September 30, 2014

4. Significant accounting policies – (continued)

iii) Leave Encashment and Other long term benefit

Liability in respect of leave encashment for complete financial period/year is determined using the projected unit credit method with independent actuarial valuations as on the date of Statement of financial position and gains/losses are recognized immediately in the Income Statement.

4.9 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

The charge for current tax is based on the result for the period/year adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the income statement unless the item to which the tax relates was recognised outside the income statement being other comprehensive income or equity. The tax associated with such an item is also recognised in other comprehensive income or equity respectively

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to Income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

A change in deferred tax assets and liabilities as a result of a change in the tax rates or laws are recognised in Income statement or other comprehensive income to the extent that it relates to items previously recognised in other comprehensive income.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

4.10 Financial instruments

Financial assets and financial liabilities, in respect of financial instruments, are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and liabilities at initial recognition.

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

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Notes to Financial Statements for the period ended September 30, 2014

4. Significant accounting policies – (continued)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balance with banks, being those with original maturities of three months or less.

Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Capital market and bank borrowings

Interest bearing loans are initially measured at fair value (which is equal to cost at inception), and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issuance costs.

4.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

4.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company 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.

Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

4.13 Earnings per share

The Company's earnings per share ('EPS') is determined based on the net loss attributable to the equity shareholders. Basic loss per share are computed using the weighted average number of shares outstanding during the period/year. Diluted loss per share is computed using the weighted average number of common and dilutive common equivalent shares if any outstanding during the period/year, except where the result would be anti-dilutive.

4.14 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Videocon d2h Limited — Interim Financial Statements (Restated)
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Notes to Financial Statements for the period ended September 30, 2014

4. Significant accounting policies – (continued)

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The interest cost incurred for funding a qualifying asset during the construction period is capitalised based on actual investment in the asset at the average interest rate. All other borrowing costs are recognised in Income statement in the period in which they are incurred.

4.15 Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

5. Critical accounting estimates

The company prepares its financial statements in accordance with IFRS as issued by the IASB, the application of which often requires judgments to be made by management when formulating the company's financial position and results. Under IFRS, the management of the company is required to adopt those accounting policies most appropriate to the company's circumstances for the purpose of presenting fairly the company's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgment is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the company should it later be determined that a different choice would be more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below. The discussion below should also be read in conjunction with the company's disclosure of significant IFRS accounting policies which are provided in note 4 to the financial statements, "Significant accounting policies".

Management has discussed its critical accounting estimates and associated disclosures with the company's Audit Committee.

a. Impairment reviews

IFRS requires management to undertake an annual test for impairment of for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- growth in EBITDA, calculated as operating profit before depreciation and amortisation;
- timing and quantum of future capital expenditure;
- long-term growth rates; and
- the selection of discount rates to reflect the risks involved.

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Notes to Financial Statements for the period ended September 30, 2014

5. Critical accounting estimates – (continued)

b. Revenue recognition

Arrangements with multiple deliverables

In revenue arrangements including more than one deliverable, the arrangement considerations are assigned to one or more separate deliverables based on its relative fair values for revenue recognition purpose.

Determining the fair value of each deliverable can require estimates due to the nature of the goods and services provided.

c. Taxation

The Company is subject to income taxes in Indian jurisdictions. Significant judgments are required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain; such determination being made by the relevant taxing authorities. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be found to be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Where considered necessary estimates are developed by management based on external specialist advice.

There are no other judgemental areas identified by management that could have a material effect on the provisions made at the reporting date.

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

Recognition therefore involves judgement regarding the future financial performance of the company.

d. Employee benefit

The present value of the employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employment benefits include the discount rate. Any changes in these assumptions will have an effect on the carrying amount of employment benefits.

Discount rate as determined by the actuary is the interest rate used to discount the defined benefit obligation and calculate the net interest recognised in profit or loss on the net defined benefit liability. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms of maturity approximating the terms of the related pension obligation.

Other key assumptions relevant to the defined employment benefit obligations are based in part on current market conditions. Additional disclosures concerning these obligations are provided in note 24 & 25.

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Notes to Financial Statements for the period ended September 30, 2014

5. Critical accounting estimates – (continued)

e. License Fees

There are transactions and calculations for which the ultimate license fees determination is uncertain; such determination being made by the relevant authorities. The company recognises liabilities based on estimates of whether additional fees will be found to be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income statement and liabilities in the period in which such determination is made.

There are no other judgemental areas identified by management that could have a material effect on the provisions made at the reporting date.

f. Other intangible assets

Estimation of useful life

The useful life used to intangible assets relates to the expected future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset. The basis for determining the useful life for the most significant categories of intangible assets is as follows:

Capitalised software

The useful life is determined by management at the time the software is acquired and brought into use and is regularly reviewed for appropriateness. For computer software licenses, the useful life represents management's view of expected term over which the Company will receive benefits from the software, but not exceeding the license term. For unique software products controlled by the Company, the life is based on historical experience with similar products as well as anticipation of future events which may impact their life such as changes in technology. Historically changes in useful lives have not resulted in material changes to the Company's amortisation charge.

g. Property, plant and equipment

Property, plant and equipment also represent a significant proportion of the asset base of the Company being 77% as at September 30 2014 (March 31, 2014: 78%) of the Company's total assets. Therefore the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

Estimation of useful life

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the income statement.

The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Historically changes in useful lives and residual values have not resulted in material changes to the Company's depreciation charge.

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Notes to Financial Statements for the period ended September 30, 2014

5. Critical accounting estimates – (continued)

h. Provisions and contingent liabilities

The Company exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (see note 27 and 30). Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

6. Segment analysis

The Company operates in a single business segment viz. Direct to Home services in India; accordingly there is no reportable business segment or geographical segment.

7. Revenue from operations

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Subscription Revenue	9,484.30	6,680.32
Other Operating Revenue	1,127.04	1,008.72
Lease Rentals	443.74	361.56
Sale of set top box and accessories	53.89	62.44
	11,108.97	8,113.04

8. Other Income

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Other non-operating income	0.43	0.77
	0.43	0.77

9. Operating expenses

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Content and Programming costs	3,753.94	2,856.73
License fees and taxes	1,168.79	837.14
Space segment charges and fees	696.73	594.75
Installation and service expenses	603.92	563.61
IT support costs	148.71	133.50
Cost of material and components consumed	98.49	85.85
	6,470.58	5,071.58

Videocon d2h Limited — Interim Financial Statements (Restated)
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Notes to Financial Statements for the period ended September 30, 2014

10. Employee benefits expenses

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Salaries, bonus and allowances	457.79	406.13
Contribution to Provident and other funds	18.56	16.99
Staff welfare expenses	12.05	9.02
	488.40	432.14

11. Administration and other expenses

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Travelling and Conveyance Expenses	70.33	63.26
Rent	50.83	42.45
Power and Fuel	41.84	39.88
Legal and Professional Charges	25.13	16.96
Office and General Expenses	39.28	25.86
Exchange Fluctuation Loss (Net)	13.72	80.71
Communication Expenses	13.96	12.20
Repairs and Maintenance	13.28	11.12
Printing and Stationery	7.82	5.42
Insurance Expenses	2.57	2.35
Rates and Taxes	2.95	1.74
Liabilities/provisions no longer required written back	0.96	—
Auditors' Remuneration	0.79	0.93
	283.46	302.88

12. Selling and distribution expenses

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Advertisement and Marketing Expenses	469.64	553.93
Customer Support Services	428.15	300.32
Distribution Expenses	40.92	34.28
	938.71	888.53

Videocon d2h Limited — Interim Financial Statements (Restated)
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Notes to Financial Statements for the period ended September 30, 2014

13. Finance (costs)/Finance Income (Net)

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Finance Costs:		
Bank Loan Interest	(1,984.38)	(2,140.24)
Other Interest	(72.20)	(40.21)
Bank Charges	(70.12)	(31.15)
	(2,126.70)	(2,211.60)
Finance Income:		
Interest Income	32.19	63.77
Finance (Costs)/Finance Income (net)	(2,094.51)	(2,147.83)

14. Taxation

The major components of income tax expense for the period ended 30th September 2014 & 30th September 2013

Income Tax expense

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	September 30, 2013 (Rs. in Million)
Income tax expenses in respect of:		
Current period	—	—
Total income tax	—	—
Deferred tax on origination and reversal of temporary differences	(523.98)	(847.75)
Total deferred tax	(523.98)	(847.75)
Total income tax expenses	(523.98)	(847.75)

Deferred tax

Deferred tax relates to the following:

Particulars	As at	
	September 30, 2014 (Rs. in Million)	March 31, 2014 (Rs. in Million)
Statement of Financial Position		
Provision for Gratuity	11.17	9.79
Disallowances in Tax	184.71	184.71
Deferrment of Expenses – Discount on Long term recharge	(65.93)	(73.46)
Allowances under Section 35D	1.85	2.77
Depreciation/amortization and impairment	(29.63)	(217.53)
Losses available for offsetting against future taxable income	6,912.07	6,583.98
Deffered Tax Assets	7,014.24	6,490.26
Deferred tax Assets at April 1, 2014/April 1, 2013	6,490.26	5,060.58
Deferred tax expense/(benefit)	(523.98)	(1,429.68)

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Notes to Financial Statements for the period ended September 30, 2014

14. Taxation – (continued)

Reconciliation in the Statement of Financial Position as:

Particulars	As at	
	September 30, 2014 (Rs. in Million)	March 31, 2014 (Rs. in Million)
Deferred tax asset	7,109.80	6,781.25
Deferred tax liability	(95.56)	(290.99)
Deferred tax assets or Deferred tax liabilities net	7,014.24	6,490.26

Factors affecting the tax charge in future years/periods

Factors that may affect the Company's future tax charge include the impact of corporate restructurings, the resolution of open issues, future planning opportunities, corporate acquisitions and disposals, the use of brought forward tax losses and changes in tax legislation and tax rates.

The Company is routinely subject to assessments by tax authorities in India. These are usually resolved through the Indian legal system. The Company considers each issue on its merits and, where appropriate, holds provisions in respect of the potential tax liability that may arise. However, the amount ultimately paid may differ materially from the amount accrued and could therefore affect the Company's overall profitability and cash flows in future periods.

At September 30, 2014 the gross amount and expiry dates of losses available for carry forward are as follows:

Particulars	For the period ended	
	September 30, 2014 (Rs. in Million)	March 31, 2014 (Rs. in Million)
Expiring within 5 years		
Losses for which a deferred tax asset is recognized	1,124.18	1,124.18
Losses for which no deferred tax is recognized	—	—
Expiring within 6 – 10 years		
Losses for which a deferred tax asset is recognized	8,965.86	8,965.86
Losses for which no deferred tax is recognized	—	—
Unlimited		
Losses for which a deferred tax asset is recognized	12,279.10	11,217.34
Losses for which no deferred tax is recognized	—	—
Total		
Losses for which a deferred tax asset is recognized	22,369.15	21,307.38
Losses for which no deferred tax is recognized	—	—

Videocon d2h Limited — Interim Financial Statements (Restated)
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Notes to Financial Statements for the period ended September 30, 2014

15. Earning Per Share

Particulars	As at September 30, 2014 (Rs. in Million)	As at September 30, 2013 (Rs. in Million)
Profit/(Loss) for the period	(1,171.24)	(1,895.79)
Weighted average number of shares for basic loss per share	242,000,000	242,000,000
Weighted average number of shares for diluted loss per share	242,000,000	242,000,000
Basic earning per Share	(4.84)	(7.83)
Diluted earning per Share	(4.84)	(7.83)

Basic Profit/(loss) per share is calculated by dividing the Profit/(loss) for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted Profit/(loss) per share are calculated by dividing the Profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

16. Property, Plant and equipment & Capital Work-in-Progress

Costs	(Rs. in Million)									
	Consumer Premises Equipments	Plant and Machinery	Computers	Building	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Capital Work-in-Progress	Total
As at April 1, 2013	19,715.21	2,961.64	518.53	229.78	176.23	51.10	24.16	18.17	2,510.07	26,204.89
Additions	6,180.59	190.12	47.58	2.74	10.05	3.19	4.53	—	—	6,438.80
Disposals/Adjustments	—	—	—	—	—	—	—	—	285.54	285.54
As at March 31, 2014	25,895.80	3,151.76	566.11	232.52	186.28	54.29	28.69	18.17	2,224.53	32,358.15
Additions	3,540.97	16.07	63.03	0.61	3.50	2.78	5.81	—	561.43	4,194.20
Disposals/Adjustments	—	0.08	—	—	0.13	—	0.02	2.96	—	3.19
As at September 30, 2014	29,436.77	3,167.75	629.14	233.13	189.65	57.07	34.48	15.21	2,785.96	36,549.16
Accumulated depreciation and impairment	Consumer Premises Equipments	Plant and Machinery	Computers	Building	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Capital Work-in-Progress	Total
As at April 1, 2013	4,670.40	620.67	257.54	24.89	25.14	9.13	3.20	4.57	—	5,615.54
Depreciation for the year	3,647.96	209.77	87.45	7.72	8.61	3.39	1.38	1.73	—	3,968.01
Disposals/Adjustments	—	—	—	—	—	—	—	—	—	—
As at March 31, 2014	8,318.36	830.44	344.99	32.61	33.75	12.52	4.58	6.30	—	9,583.55
Depreciation for the period	2,180.19	127.05	68.29	3.89	12.75	3.42	11.29	1.30	—	2,408.18
Disposals/Adjustments	—	0.01	—	—	0.03	—	—	0.78	—	0.82
As at September 30, 2014	10,498.55	957.48	413.28	36.50	46.47	15.94	15.87	6.82	—	11,990.91

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Notes to Financial Statements for the period ended September 30, 2014

16. Property, Plant and equipment & Capital Work-in-Progress – (continued)

Net Book Value	Consumer Premises Equipments	Plant and Machinery	Computers	Building	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Capital Work-in-Progress	Total
As at April 1, 2013	15,044.81	2,340.97	260.99	204.89	151.09	41.97	20.96	13.60	2,510.07	20,589.35
As at March 31, 2014	17,577.44	2,321.32	221.12	199.91	152.53	41.77	24.11	11.87	2,224.53	22,774.60
As at September 30, 2014	18,938.22	2,210.27	215.86	196.63	143.18	41.13	18.61	8.39	2,785.96	24,558.25

Property, Plant and equipment & Capital Work-in-Progress are charged by way of equitable mortgage with banks for term loans. For more details refer note no 22.

17. Intangible Assets

(Rs. in Million)

Costs	Trademark/ Brand	Technical Know-how and Designs	Computer Software	License Fees	Total
As at April 1, 2013	1,225.31	274.45	406.53	100.00	2,006.29
Additions	—	—	63.02	—	63.02
Disposals/Adjustments	—	—	—	—	—
As at March 31, 2014	1,225.31	274.45	469.55	100.00	2,069.31
Additions	—	—	10.13	—	10.13
Disposals/Adjustments	—	—	—	—	—
As at September 30, 2014	1,225.31	274.45	479.68	100.00	2,079.44
Accumulated amortisation and impairment losses					
As at April 1, 2013	208.56	90.15	238.73	37.04	574.48
Depreciation for the year	122.53	27.44	82.81	11.11	243.89
Disposals/Adjustments	—	—	—	—	—
As at March 31, 2014	331.09	117.59	321.54	48.15	818.37
Depreciation for the period	61.27	13.72	40.25	5.56	120.80
Disposals/Adjustments	—	—	—	—	—
As at September 30, 2014	392.36	131.31	361.79	53.71	939.17
Net Book Value					
As at April 1, 2014	1,016.75	184.30	167.80	62.96	1,431.81
As at March 31, 2014	894.22	156.84	148.01	51.85	1,250.92
As at September 30, 2014	832.95	143.14	117.89	46.29	1,140.27

Amortisation of licences and other intangible assets is included within Depreciation and Amortisation on the income statement. All licences have been pledged as security against borrowings.

The remaining amortisation period of licence as follows:

Particulars	September 30, 2014	March 31, 2014
Remaining amortization period	3 to 4 years	4 to 5 years

The Company takes on lease certain Computer Softwares under non-cancellable finance lease agreements. The lease terms range between 2 and 5 years.

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Notes to Financial Statements for the period ended September 30, 2014

18. Inventories

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
Consumables and Spares (including Material-in-Transit) (As taken, valued and certified by the management)	444.61	317.13
	444.61	317.13

19. Trade Receivables

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
Trade Receivables	2.51	4.87
Less: Provisions	(0.95)	(0.63)
	1.56	4.24

The management consider that the carrying amount of trade and other receivables approximates their fair value. The allowance for estimated irrecoverable amounts of trade debtors has been determined by reference to past default experience and information on specific balances outside trade terms and is calculated by reference to the present value of anticipated future proceeds.

20. Financial and Non-Financial Assets

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
Included within non-current assets		
Financial assets:		
Capital Advance	1,602.51	2,032.26
Prepaid Rent	109.76	110.60
Deposits	63.03	48.05
Term deposits with banks	0.26	34.10
	1,775.56	2,225.01
Included within current assets		
Financial assets:		
Term deposits with banks	792.37	662.87
Interest Receivables	29.02	31.14
Other Assets	49.09	18.40
Deposits	4.55	17.99
Prepaid Rent	16.76	16.76
	891.79	747.16
Non Financial assets:		
Balance with Central Excise/VAT Authority	1,017.78	1,579.73
Prepaid Expenses	84.94	90.38
Advance Income Tax and Tax deducted at source	30.63	51.34
	1,133.35	1,721.45
Total	2,025.14	2,468.61

Restricted cash included in Term deposits with banks in financial assets of (March 31, 2014: Rs.792.63 million, March 31, 2014: Rs.696.97 million) represents amount given for reserves for term loan, margin for bank gurantee and bill discounting etc.

Videocon d2h Limited — Interim Financial Statements (Restated)
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Notes to Financial Statements for the period ended September 30, 2014

21. Cash and cash equivalents

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
Balances with Banks in Current Accounts	112.06	183.55
Cash on hand	3.07	1.35
Term deposits with banks	—	—
Cash and cash equivalents as presented in the statement of cash flows	115.13	184.90

Bank balances comprise cash held by the Company on a short-term basis with original maturity of three months or less. The carrying amount of cash and cash equivalents approximates their fair value.

The Company's exposure to credit, currency and interest rate risks relating to cash and cash equivalents, together with a sensitivity analysis, is detailed in note 29.

22. Borrowings

Carrying value and fair value information

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
Non Current (long-term)		
Long-term borrowings	24,537.00	23,533.25
Term loans from banks	(24,537.00)	(23,533.25)
Less: Reclassified under current financial liabilities [Note No. 5 below]	—	—
included in current financial liability		
Long-term borrowings – Reclassified under current financial liabilities	4,174.54	4,355.20
Current Maturities of Term loans from banks	24,537.00	23,533.25
Current (short-term)	28,711.54	27,888.45
Loans from Related parties	2,250.00	2,250.00
Term loans from bank	—	—
	2,250.00	2,250.00

(1) Term Loans from banks are secured by:

- (a) First pari-passu charge by way of equitable mortgage on the entire immovable assets, hypothecation of entire movable assets, both present and future.
- (b) Assignment of contracts relating to transponder capacity, all government authorizations, license and insurance policies, if any, or a negative lien, if contracts are not assignable.
- (c) Charge on Escrow Accounts and Debt Service Reserve Account.
- (d) Personal Guarantee of Mr. Venugopal N. Dhoot and Mr. Pradipkumar N. Dhoot.

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22. Borrowings – (continued)

Name of the Guarantor	Sanctioned Amount as on September 30, 2014 (Rs. in Million)	Outstanding as on September 30, 2014 (Rs. in Million)
Mr. Venugopal N. Dhoot		
Mr. Pradipkumar N. Dhoot	35,850.00	28,711.54

- (2) A part of term loans are secured by first pari-passu charge on entire current assets of the Company, present and future.
- (3) A part of term loans from banks are further secured by corporate guarantee of Videocon Industries Limited.
- (4) The term loans from Banks are secured by:
- (a) A part of loans from banks are secured by Pledge of 30% shares of the Company.
- (b) A part of loans from banks are secured by Non-Disposal undertaking of 21% shares of the Company.
- (5) During the period, the company had breached certain provision of long term loan agreements with the banks, such as delay in payment of interest and installments and breach of certain covenants. However, in absence of any communication from bank declaring it as an event of default or for enforcing acceleration of payment of entire loan amount, the repayment schedule remained unchanged. The Company, therefore, had classified the term loans as non-current liabilities. However, since the company has not obtained from lenders a specific waiver of their right to accelerate the repayment of entire loan amount by the reporting date, the management has now decided to classify these long term loan as current liabilities.
- (6) The Rupee Term Loans of Rs.2,750.00 million (Previous year Rs.NIL) are further secured by
- (i) Pledge of 1.25 million shares of Videocon Industries Limited
- (ii) Pledge of VDL shares to the market value of Rs.500.00 Million
- (iii) Exclusive charge for the Property at Malad valuing at Rs.1,250.00 million
- (7) The floating rate of interest in each loan facility is as follows:

Name of Banks	As of September 30, 2014	
	Amount (Rs. in Million)	Interest Rate %
Secured Loans		
Central Bank of India	1,758.25	13.25% – 14.50%
IDBI Bank Limited	5,270.00	13.75% – 14.50%
Bank of Baroda	2,258.30	14.50%
ICICI Bank Limited	2,850.00	13.50%
Karur Vysa Bank Limited	475.00	13.25%
Canara Bank	3,550.00	13.00% – 13.50%
Jammu and Kashmir Bank Limited	1,000.00	13.75%
Syndicate bank	950.00	13.25%
Dena Bank	950.00	13.25%

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22. Borrowings – (continued)

Name of Banks	As of September 30, 2014	
	Amount (Rs. in Million)	Interest Rate %
Oriental Bank of Commerce	925.00	13.00% – 13.50%
Bank of India	1,975.00	13.50%
Bank of Maharashtra	1,000.00	13.00% – 13.15%
Union Bank of India	1,500.00	13.00%
United Bank of India	1,500.00	13.00% – 13.25%
Yes bank	2,750.00	12.00%
Total Adjusted Term Loan from banks	28,711.54	

- 8) The Company has made certain defaults in repayment of Term Loans and interest. The details of continuing defaults as at September 30, 2014, are as follows:

Particulars	(Rs. in Millions)	
	Periods of Delays	
	1 to 30 days	31 to 59 days
Principal amount of Rupee Term Loan	—	511.10
Interest on Rupee Term Loan	—	—

- 9) As per the repayment terms of the agreements, the term loan from banks are repayable as below —

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
	Within one year	4,174.55
Between One and three year	12,242.50	8,541.88
Between three and five years	6,342.49	7,183.12
Over five years	5,952.00	7,808.25
Total	28,711.54	27,888.45

Repayment of Term Loan from bank is considered as Gross basis, processing fees is not considered in repayment schedule in note no 9 above.

- 10) The Loan from other parties are repayable on demand.

- 11) The rate of interest of loans from other parties is SBI PLR minus 2%.

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23. Financial and Non-Financial Liabilities

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs.in Million)
Included within Non-current liabilities:		
Non-Financial liabilities:		
Income Received in Advance	2,840.18	2,668.99
	2,840.18	2,668.99
Included within current liabilities:		
Financial liabilities:		
Long-term borrowings — Reclassified under current financial liabilities	24,537.00	23,533.25
Current Maturities of Term loans from banks	4,174.54	4,355.20
Payable for capital expenditure	724.79	643.14
Interest Accrued and due on Borrowings	—	378.54
Interest Accrued but not due on Borrowings	325.51	346.42
	29,761.84	29,256.55
Non-Financial liabilities:		
Income Received in Advance	4,048.93	4,104.47
Others	3,740.20	1,492.99
	7,789.13	5,597.46

24. Post employment benefits — Gratuity

Particulars	Gratuity (Rs. in Million)
As at March 31, 2014	31.67
Addition/adjustments during the year	5.58
As at September 30, 2014	37.25

Provisions have been analysed between current and non-current as follows:

Particulars	Gratuity (Rs. in Million)
As at September 30, 2014	
Current	2.12
Non-current	35.13
As at March 31, 2014	
Current	1.81
Non-current	29.87

Defined Benefit Plans — Gratuity:

The plan provides for a lump sum payment to vested employees, at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

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Notes to Financial Statements for the period ended September 30, 2014

25. Others employment benefits

Particulars	Leave Encashment (Rs. in Million)
As at March 31, 2014	21.20
Addition/adjustments during the year	5.31
As at September 30, 2014	26.51

Provisions have been analysed between current and non-current as follows:

Particulars	Leave Encashment (Rs. in Million)
As at September 30, 2014	
Current	3.76
Non-current	22.75
As at March 31, 2014	
Current	3.01
Non-current	18.19

Defined Contribution Plan

The Company makes Provident Fund contributions to defined contribution plan administered by the Regional Provident Fund Commissioner.

Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. The Company has recognised Rs. 16.99 million for Provident Fund contributions in the income statement for the period ended September 30, 2014 (March 31, 2014: Rs. 33.76 million). The contributions payable by the Company are in accordance with rules framed by the Government of India from time to time.

26. Commitments

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
Contracts for future capital expenditure not provided in the financial statements	363.87	160.67

27. Contingent liabilities

Particulars	As at September 30, 2014 (Rs. in Million)	As at March 31, 2014 (Rs. in Million)
DTH license fees (Refer below Note 1)	3,037.68	2,483.93
Counter guarantees given for guarantees given by the bankers	595.46	592.58
Entertainment tax (Refer below Note 2)	102.22	80.47
Tax deducted at source (Refer below Note 3)	56.09	74.36
Letters of credit opened by a bank	116.52	2.27
Value Added Tax (Refer below Note 4)	0.50	0.50
	3,908.47	3,234.11

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

27. Contingent liabilities – (continued)

Note 1: DTH License fee is calculated on adjusted gross revenue in accordance with the judgment given by TDSAT in the petition No. 92(C) and 93 (C) of 2009 dated 28th May 2010 and the same is provided for in the books of accounts. During the year, Company has received a letter from Ministry of Information & Broadcasting demanding Rs.1,582.89mn (including interest) for additional license fees on the difference between gross revenue and adjusted gross revenue upto financial year 2012 – 13. The Company has filed a petition before TDSAT and an interim stay has been granted for the payment of this demand. As per the stand of Ministry of Information and Broadcasting there would be an additional license fees for financial year 2013 – 14 of Rs.901.04mn and for the six months period ended September 2014 of Rs.534.47mn. Pending the matter for further hearing, no provision is considered necessary by the management.

Note 2: In respect of Entertainment Tax in various States, the Company has preferred appeals/writ petitions in the High Court/Supreme Court challenging the applicability of Entertainment Tax. Pending the final outcome of these appeals/petitions, the Company has paid under protest and provided for the disputed liability, except for the disputed amount of Rs.102.22mn for September 30, 2014 (Rs.80.47mn for March 31, 2014).

Note 3: The Company had received demand notices for non-deduction of income tax at source from certain payments and interest thereon aggregating to Rs.39.66mn for Assessment Year 2010 – 11, Rs.231.98mn for Assessment Year 2011 – 12 and Rs.214.67mn for Assessment Year 2012 – 13. The Company had filed appeals against the said orders and demand notices. The appeals for Assessment years 2010 – 11 and 2011 – 12 have been disposed off by the CIT (A) who has granted substantial relief. Based on the decisions of the first appellate authority, the Company has received orders from the DCIT (TDS) revising the demand at Rs.12.70mn for the Assessment Year 2010 – 11, and Rs.12.31mn for the Assessment Year 2011 – 12. The Company has preferred appeal before ITAT for Assessment Year 2010 – 11 and 2011 – 12. DCIT (TDS) has also rectified the order for Assessment year 2012 – 13 and revised the demand to Rs.59.73mn. The Company has provided for Rs.1.81mn for the Assessment Year 2010 – 11, Rs.14.31mn for Assessment Year 2011 – 12 and Rs.12.53mn for Assessment Year 2012 – 13 and no further provision is considered necessary by the management.

Note 4: The Company has also received a demand notice of Rs.0.50mn for the financial year 2013 – 14 for difference of VAT in the state of Tripura. The Company has contested the said demand and is in the process of filing the appeal. The Company is of the view that eventually there will not be any substantial liability on this account and hence no provision is necessary.

28. Related Party

The Company's related parties are its Key Management Personnel. Company's related parties and transactions with those related parties are as follows:

List of related parties

Name of Key Management Personnel —

- Mr. Saurabh P. Dhoot (Whole Time Director)
- Mr. Anil Khera (Chief Executive Officer)
- Mr. Pradeep Ramwilas Rathi (Non-Executive, Independent Director)
- Mr. Nabankumar Gupta (Non-Executive, Independent Director)
- Mr. Shivratan Jeetmal Taparia (Non-Executive, Independent Director)
- Mr. Karunchandra Srivastava (Non-Executive, Independent Director)

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

28. Related Party – (continued)

Relative of Key Management Personnel (with whom transactions have taken place)

Mrs. Shelly Anil Khera (Wife of Mr. Anil Khera)

Others

C E India Limited

Infodart Technologies India Limited

Quadrant Televentures Limited

PE Electronics Limited

Planet M Retail Limited

Tekcare India Private Limited

Trend Electronics Limited

Value Industries Limited

Videocon Industries Limited

Videocon Telecommunications Limited

Force Appliances Private Limited

Jubilant Logistic Limited

KAIL Limited

Next Retail India Limited

Techno Electronics Limited

Topaki Media Private Limited

Universal Digital Connect Limited

Details of transactions with related parties

Particulars	As at September 30, 2014 (Rs. in Million)	As at September 30, 2013 (Rs. in Million)
Payment of salaries/remuneration/perquisites		
Key Management Personnel		
Mr. Anil Khera	5.06	5.06
Rent paid		
Relative of Key Management Personnel		
Mrs. Shelly Anil Khera (Inclusive of Service Tax)	0.65	0.59
Sitting Fees		
Key Management Personnel		
Mr. Pradeep Ramwilas Rathi	0.04	0.04
Mr. Nabankumar Gupta	0.08	0.04
Mr. Karunchandra Srivastava	0.08	0.08

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

28. Related Party – (continued)

Particulars	As at September 30, 2014 (Rs. in Million)	As at September 30, 2013 (Rs. in Million)
IT Support Expenses		
Infodart Technologies India Limited	21.92	9.43
Call Centre Expenses		
Quadrant Televentures Limited	26.48	11.63
Videocon Telecommunications Limited	2.31	—
Business Support Expenses		
Videocon Industries Limited	31.67	38.91
Jubilant Logistic Limited	44.61	—
Job Work Expenses		
Force Appliances Private Limited	0.83	—
Schemes Expenses		
PE Electronics Limited	0.98	1.28
Universal Digital Connect Limited	—	0.27
Purchase of Assets		
Planet M Retail Limited	0.01	0.11
Trend Electronics Limited	3,583.61	2,997.61
KAIL Limited	—	52.94
Next Retail India Limited	0.02	0.02
Value Industries Limited	4.88	—
Purchase of Spares		
Tekcare India Private Limited	0.78	0.32
Videocon Industries Limited	7.40	0.90
Marketing Expenses		
Topaki Media Private Limited	12.57	61.53
Sales and Revenue		
Tekcare India Private Limited	0.56	—
Universal Digital Connect Limited	8.17	8.03
Unsecured Loan and Advances		
Videocon Industries Limited	(39.43)	(280.47)
Universal Digital Connect Limited	(93.06)	(6.55)

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

28. Related Party – (continued)

Amount due to related parties —

Particulars	As at September 30, (Rs. in Million)	As at March 31, (Rs. in Million)
Rent payable to relative of Key Management Personnel	—	0.03
Others Payable		
Infodart Technologies India Limited	2.46	0.51
Quadrant Televentures Limited	5.06	4.86
PE Electronics Limited	5.68	9.20
Tekcare India Private Limited	3.44	5.69
Trend Electronics Limited	—	2.10
Value Industries Limtted	0.24	—
Videocon Industries Limited	2,250.00	2,250.00
Videocon Telecommunications Limited	—	13.54
Force Appliances Private Limited	0.71	—
Jubilant Logistic Limited	21.78	—
KAIL Limited	47.52	47.52
Techno Electronics Limited	0.34	0.34
Topaki Media Private Limited	99.88	120.01
Others Receivable		
Planet M Retail Limited	20.56	19.32
Trend Electronics Limited	1,601.49	2,031.38
Value Industries Limtted	—	—
Videocon Telecommunications Limited	2.31	2.25
KAIL Limited	—	30.35
Next Retail India Limited	1.62	
Universal Digital Connect Limited	38.36	32.05

29. Capital and financial risk management

I. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to manage its borrowings using mixture of long-term and short-term borrowing facilities, including money market borrowings and other instruments permitted under its Treasury Policy, to meet anticipated funding requirements.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the Statement of financial position plus net debt.

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

29. Capital and financial risk management – (continued)

The gearing ratio at September 30, 2014 and March 31, 2014 were as follows:

Particulars	As at September 30, 2014	As at March 31, 2014
Total borrowings	30,961.54	30,138.45
Less: Cash and cash equivalents	(115.13)	(184.90)
Net Debt	30,846.41	29,953.55
Total Equity	(7,485.31)	(6,314.06)
Total capital	(7,485.31)	(6,314.06)
Gearing ratio (Net debt/Total capital)	N.A.	N.A.

Until September 30, 2014, the Company was to have aggregate fixed deposits of Rs.792.64 million (Rs.696.97 million for March 31, 2014) subject to the borrowing requirement. This Company's obligation ceased with the repayment of the respective term loan facility.

The Company is in process of raising more funds through equity to repay some existing debts so as to maintain the gearing ratio in line with the industry.

II. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by a treasury department (company treasury) as per the policy of the Company. Company treasury identifies, evaluates and hedges financial risks if any in close co-operation with the company's operating units. The policy covers the areas of overall risk management, including foreign exchange risk, interest rate risk, credit risk, liquidity risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The major financial instruments of the Company include cash and bank deposits, trade and other receivables, trade and other payables and borrowings. Details of these financial instruments are disclosed in the respective notes to the financial statements. The risk management approach of the Company is aimed to minimize the financial risks for the business.

a) Market Risk

(i) Foreign exchange risk

The company operates in local market and carries no major foreign currency risk, except for trade payables in respect of imports made by the company. However according to the management there is no material impact of the same. Trade payables in foreign currencies as on September 30, 2014 INR 622 million (March 31, 2014 INR 479 million). The impact of foreign exchange sensitivity of 5% strengthening or weakening on the payables is INR 31 million.

The sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the INR computed from historical data and assuming all other information to be constant.

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash held at variable rates.

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

29. Capital and financial risk management – (continued)

In respect to borrowing on floating rates the Company negotiates exit options without break-costs on interest reset dates wherever possible.

The table below shows the Company's sensitivity to interest rates on floating rate bank borrowings on profit or loss and equity:

Particulars	Rs. in Million	
	For the period/year ended	
	September 30, 2014	March 31, 2014
1% strengthening of rates	287.12	278.88
1% weakening in rates	287.12	278.88

The profile of Company's borrowings as at September 30, 2014 and March 31, 2014 is provided on Note 22.

(iii) Price risk

The Company is not exposed to any price risk as the Company does not have any investment.

b) Credit risk

Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It principally arises from deposits with banks and others, trade and other receivables mainly linked to the credit exposures of customers.

The Company maintains its Cash and cash equivalents, Derivative financial instruments, Bank deposits with banks and financial institutions having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Trade receivables of the Company are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which Company grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. The Company has no concentration of credit risk as the customer base is geographically distributed in India.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. It also maintains varied maturity profile with a cap on the level of debt maturing in any one calendar quarter, therefore minimising refinancing risk. Long-term borrowings generally mature between one and 8 years. Liquidity is reviewed on a daily basis based on weekly cash flow forecast.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the company's policies and procedures include specific guidelines to focus on the maintaining existing subscriber's base, adding new subscribers and developing innovative products.

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

- 30.** During the period ended September 30, 2014, the Company has filed draft red herring prospectus as on September 29, 2014 to Security and Exchange Board of India (“SEBI”) for raising capital of Rs.7000 mn.
- 31.** (a) The Company has received show cause notice dated June 13, 2014 from Commissioner of Customs, Central Excise and Service Tax, Noida with regard to service tax on Advance Usage charges i.e., rental charges collected from the subscribers towards the usage of Set Top Boxes by the subscribers. The amount of service tax involved is Rs.694.47mn (excluding interest) for the period from April 2009 to December 2013. The Company is in the process of filing the reply to the said notice and in the opinion of the management no provision is required against the same.
- (b) The Company has also received show cause notice dated October 22, 2014 from Directorate General of Central Excise Intelligence, Mumbai Zonal Unit with regard to reverse of Cenvat Credit of Rs.391.77 mn availed during the financial years 2009-10 to 2013-14 on deactivated consumer premises equipments at customer premises. The Company is in the process of filing the reply to the said notice and in the opinion of the management no provision is required against the same. The Company has also received show cause notice dated October 10, 2014 from Commissioner of Customs, Central Excise and Service Tax, Noida in same matter.
- 32.** In September 2014, the Sales Tax department had conducted investigation at office premises of the Company and has vide letter dated December 15, 2014 communicated its findings and observations relating to alleged incorrect levy and collection of Value Added Tax by the Company and has asked the Company to submit its response on such observations. The Company has submitted its detailed reply. The management expects no additional liability in this regard.
- 33. Events occurring after balance sheet date —**
- Company has entered into a master service franchisee agreement with a vendor, for outsourcing its installation related services.
- 34. Approval of the financial statements**
- The financial statements of the Company for the period ended September 30, 2014 (Restated — Note 2 (b)) were approved and authorized for issue by the Board of Directors of the Company on March 2, 2015. The previously issued financial statements of the Company for the period ended September 30, 2014 were approved and authorized for issue by the Board of Directors of the Company on February 2, 2015.

For and on behalf of the Board

SAURABH P. DHOOT
Executive Director

K. C. SRIVASTAVA
Director

Place: Mumbai
Date: March 2, 2015

Videocon d2h Limited — Interim Financial Statements (Restated)
(All amounts are in INR Million)

Notes to Financial Statements for the period ended September 30, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of
Silver Eagle Acquisition Corp.

We have audited the accompanying balance sheet of Silver Eagle Acquisition Corp. (a corporation in the development stage) (the “Company”), as of December 31, 2013, and the related statement of operations, changes in stockholders’ equity and cash flows for the period from April 11, 2013 (date of inception) to December 31, 2013. Silver Eagle Acquisition Corp.’s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Silver Eagle Acquisition Corp. as of December 31, 2013, and the results of its operations and its cash flow for the period from April 11, 2013 (date of inception) to December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

/s/ ROTHSTEIN KASS

Roseland, New Jersey
March 26, 2014

SILVER EAGLE ACQUISITION CORP.

(A Corporation in the Development Stage)

Balance Sheet

December 31, 2013

ASSETS

Current assets:	
Cash and cash equivalents	\$ 805,924
Noncurrent assets:	
Investments and cash held in Trust Account	325,013,723
Total assets	<u>\$325,819,647</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:	
Accounts payable and accrued expenses	\$ 79,110
Franchise tax accrual	75,000
Accrued offering costs	107,920
Total current liabilities	262,030
Deferred underwriter fee	12,125,000
Total liabilities	12,387,030
Common stock subject to possible redemption: 30,843,261 shares at \$10.00	308,432,610
Stockholders' equity:	
Preferred stock, \$.0001 par value; 1,000,000 shares authorized; none issued	—
Common stock, \$.0001 par value, authorized 400,000,000 shares; 9,781,739 shares issued and outstanding at December 31, 2013, (excluding shares subject to possible redemption at December 31, 2013) ⁽¹⁾	978
Additional paid-in capital	4,999,029
Deficit accumulated during the development stage	—
Total stockholders' equity	5,000,007
Total liabilities and stockholders' equity	<u>\$325,819,647</u>

(1) Share amounts have been retroactively restated to reflect the contribution to the Company of 2,812,500 shares by the Company's Founders on June 18, 2013 and the stock dividend of 1,437,500 shares declared by the Company on July 22, 2013 (see Note 4).

The accompanying notes are an integral part of these financial statements.

SILVER EAGLE ACQUISITION CORP.

**(A Corporation in the Development Stage)
Statement of Operations**

For the period from April 11, 2013 (date of inception) to December 31, 2013

Revenue	\$ —
Formation and operating costs	497,885
State franchise taxes, other than income tax	75,000
Loss from operations	(572,885)
Other income – Interest income	13,723
Net loss attributed to common stockholders	<u>\$ (559,162)</u>
Weighted average number of common shares outstanding, basic and diluted (excluding shares subject to possible redemption) ⁽¹⁾	9,068,549
Loss per common share, basic and diluted	<u>\$ (0.06)</u>

(1) Share amounts have been retroactively restated to reflect the contribution to the Company of 2,812,500 shares by the Company's Founders on June 18, 2013 and the stock dividend of 1,437,500 shares declared by the Company on July 22, 2013 (see Note 4).

The accompanying notes are an integral part of these financial statements.

SILVER EAGLE ACQUISITION CORP.**(A Corporation in the Development Stage)
Statement of Changes in Stockholders' Equity**

For the period from April 11, 2013 (date of inception) to December 31, 2013

	Common Stock		Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total Stockholders' Equity
	Shares	Amount			
Sale of common stock to Sponsor and Dennis A. Miller on April 11, 2013 at \$0.0025 per share ⁽¹⁾	10,000,000	\$ 1,000	\$ 24,000	\$ —	\$ 25,000
Sale of common stock through public offering on July 30, 2013 at \$10.00 per unit	32,500,000	3,250	324,996,750		325,000,000
Underwriters' fees and offering expenses			(18,533,221)		(18,533,221)
Proceeds from private placement of 15,000,000 warrants			7,500,000		7,500,000
Forfeiture of common stock by Initial Stockholders on July 30, 2013	(1,875,000)	(188)	188		—
Proceeds subject to possible redemption of 30,843,261 shares at December 31, 2013	(30,843,261)	(3,084)	(308,988,688)	559,162	(308,432,610)
Net loss for the year ended December 31, 2013				(559,162)	(559,162)
Balances, at December 31, 2013	<u>9,781,739</u>	<u>\$ 978</u>	<u>\$ 4,999,029</u>	<u>\$ —</u>	<u>\$ 5,000,007</u>

(1) Share amounts have been retroactively restated to reflect the contribution to the Company of 2,812,500 shares by the Company's Founders on June 18, 2013 and the stock dividend of 1,437,500 shares declared by the Company on July 22, 2013 (see Note 4).

The accompanying notes are an integral part of these financial statements.

SILVER EAGLE ACQUISITION CORP.**(A Corporation in the Development Stage)
Statement of Cash Flows**

For the period from April 11, 2013 (date of inception) to December 31, 2013

Cash flows from operating activities	
Net loss	\$ (559,162)
Change in operating assets and liabilities:	
Accounts payable and accrued expenses	79,110
Franchise tax accrual	75,000
Net cash used by operating activities	<u>(405,052)</u>
Cash flows from investing activities	
Proceeds deposited into Trust Account	(325,000,000)
Interest on Trust Account	(13,723)
Net cash used in investing activities	<u>(325,013,723)</u>
Cash flows from financing activities	
Proceeds from sale of common stock through public offering	325,000,000
Proceeds from sale of common stock to Sponsor	25,000
Proceeds from unsecured promissory note payable to Sponsor	157,873
Proceeds from Sponsor and Dennis A. Miller to purchase warrants	7,500,000
Repayment of unsecured promissory note payable to Sponsor	(157,873)
Payment of offering costs	(6,300,301)
Net cash provided by financing activities	<u>326,224,699</u>
Net increase in cash and cash equivalents	805,924
Cash and cash equivalents, beginning of period	<u>—</u>
Cash and cash equivalents, end of period	<u>\$ 805,924</u>
Supplemental disclosure of non-cash financing activities:	
Accrued offering costs	<u>\$ 107,920</u>
Deferred underwriter fee payable	<u>\$ 12,125,000</u>

The accompanying notes are an integral part of these financial statements.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

1. Organization and Business Operations

Incorporation

Silver Eagle Acquisition Corp. (the “Company”) was incorporated in Delaware on April 11, 2013.

Sponsor

The Company’s sponsor is Global Eagle Acquisition LLC, a Delaware limited liability company (the “Sponsor”).

Fiscal Year End

The Company has selected December 31 as its fiscal year end.

Business Purpose

The Company was formed for the purpose of acquiring, through a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or other similar business combination, one or more operating businesses or assets that the Company has not yet identified (a “Business Combination”).

Financing

The registration statement for the Company’s initial public offering (the “Public Offering”) (as described in Note 2) was declared effective on July 25, 2013. The Company consummated the Public Offering on July 30, 2103, and, simultaneously with the closing of the Public Offering, the Sponsor and Dennis A. Miller purchased an aggregate of \$7,500,000 of warrants in a private placement (as described in Note 3).

On July 30, 2103, approximately \$325,000,000 from the Public Offering and private placement was placed in a trust account with Continental Stock Transfer & Trust Company acting as trustee (the “Trust Account”).

Trust Account

The Trust Account can be invested in permitted United States “government securities” within the meaning of Section 2(a)(16) of the Investment Company Act of 1940, as amended (the “Investment Company Act”), having a maturity of 180 days or less or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations.

The Company’s amended and restated certificate of incorporation provides that, other than the withdrawal of interest to pay income taxes, if any, and a one-time release of amounts necessary to pay Delaware franchise taxes for 2013 on a timely basis, none of the funds held in trust will be released until the earlier of: (i) the completion of an Business Combination; or (ii) the redemption of 100% of the shares of common stock included in the Units sold in the Public Offering if the Company is unable to complete a Business Combination within 21 months from the closing of the Public Offering (April 30, 2015), or 24 months from the closing of the Public Offering (July 30, 2015) if the Company has executed a letter of intent, agreement in principle or definitive agreement for a Business Combination by April 30, 2015 but has not completed the Business Combination by April 30, 2015.

Business Combination

A Business Combination is subject to the following size, focus and stockholder approval provisions:

Size/Control — The Company’s Business Combination must occur with one or more target businesses that together have a fair market value of at least 80% of the assets held in the Trust Account (excluding the deferred underwriting commissions and taxes payable on the income earned on the Trust Account) at the time

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

1. Organization and Business Operations – (continued)

of the agreement to enter into the Business Combination. The Company will not complete a Business Combination unless it acquires a controlling interest in a target company or is otherwise not required to register as an investment company under the Investment Company Act of 1940, as amended.

Focus — The Company’s efforts in identifying prospective target businesses will initially be focused on businesses in the media and entertainment industries, but the Company may pursue opportunities in other business sectors.

Tender Offer/Stockholder Approval — The Company, after signing a definitive agreement for a Business Combination, will either (i) seek stockholder approval of the Business Combination at a meeting called for such purpose in connection with which stockholders may seek to redeem their shares, regardless of whether they vote for or against the Business Combination, for cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable, or (ii) provide stockholders with the opportunity to sell their shares to the Company by means of a tender offer (and thereby avoid the need for a stockholder vote) for an amount in cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable. The decision as to whether the Company will seek stockholder approval of the Business Combination or will allow stockholders to sell their shares in a tender offer will be made by the Company, solely in its discretion, and will be based on a variety of factors such as the timing of the transaction and whether the terms of the transaction would otherwise require the Company to seek stockholder approval. If the Company seeks stockholder approval, it will complete its Business Combination only if a majority of the outstanding shares of common stock voted are voted in favor of the Business Combination. However, in no event will the Company redeem its public shares in an amount that would cause its net tangible assets to be less than \$5,000,001. In such case, the Company would not proceed with the redemption of its public shares and the related Business Combination, and instead may search for an alternate Business Combination.

Regardless of whether the Company holds a stockholder vote or a tender offer in connection with a Business Combination, a public stockholder will have the right to redeem their shares for an amount in cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable. As a result, such shares of common stock are recorded at conversion/tender value and classified as temporary equity upon the completion of the Public Offering, in accordance with Financial Accounting Standards Board, or FASB, ASC Topic 480, “Distinguishing Liabilities from Equity.”

Liquidation

If the Company does not complete a Business Combination by April 30, 2015, or July 30, 2015 if the Company has executed a letter of intent, agreement in principle or definitive agreement for a Business Combination by April 30, 2015 but has not completed the Business Combination by April 30, 2015, the Company will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem 100% of the common stock sold as part of the units in the Public Offering, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest but net of franchise and income taxes payable (less up to \$100,000 of interest which may be distributed to the Company to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders’ rights as stockholders (including the right to receive further liquidation distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the Company’s remaining stockholders and the Company’s board of directors, dissolve and liquidate, subject in each case to the Company’s obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

1. Organization and Business Operations – (continued)

In the event of liquidation, it is likely that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the initial public offering price per share in the Public Offering (assuming no value is attributed to the warrants contained in the units sold in the Public Offering discussed in Note 4).

Emerging Growth Company

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a registration statement declared effective under the Securities Act of 1933, as amended (the “Securities Act”) or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that, when a standard is issued or revised and has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time that private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

2. Significant Accounting Policies

Basis of Presentation

The accompanying financial statements of the Company are presented in U.S. dollars in conformity with GAAP and pursuant to the rules and regulations of the SEC.

Development Stage Company

The Company complies with the reporting requirements of FASB ASC 915, “Development Stage Entities.” At December 31, 2013, the Company had not generated revenue to date. All activity through the date the financial statements were issued relates to the Company’s formation and the Public Offering. Following the Public Offering, the Company will not generate any operating revenues until after completion of a Business Combination, at the earliest. The Company may generate non-operating income in the form of interest income on the assets held in the Trust Account after the Public Offering.

Redeemable Common Stock

As discussed in Note 3, all of the 32,500,000 shares of common stock sold as part of the Public Offering contain a redemption feature which allows for the redemption of shares of common stock under the Company’s liquidation or tender offer/stockholder approval provisions. In accordance with ASC 480, redemption provisions not solely within the control of the Company require the security to be classified outside of permanent equity. Ordinary liquidation events, which involve the redemption and liquidation of all of the entity’s equity instruments, are excluded from the provisions of ASC 480. Although the Company does not specify a maximum redemption threshold, its charter provides that in no event will the Company redeem its public shares in an amount that would cause its net tangible assets (stockholders’ equity) to be less than \$5,000,001. In such case, the Company would not proceed with the redemption of its public shares and the related Business Combination, and instead may search for an alternate Business Combination.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

2. Significant Accounting Policies – (continued)

The Company recognizes changes in redemption value immediately as they occur and will adjust the carrying value of the security to equal the redemption value at the end of each reporting period. Increases or decreases in the carrying amount of redeemable common stock shall be affected by charges against retained earnings, or in the absence of retained earnings, by charges against paid-in capital in accordance with ASC 480-10-S99. Accordingly, at December 31, 2013, 30,843,261 Public Shares are classified outside of permanent equity at its redemption value.

Net Loss Per Share

Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by dividing net loss per share by the weighted average number of shares of common stock outstanding, plus, to the extent dilutive, the incremental number of shares of common stock to settle warrants held by the Sponsor (see Note 4), as calculated using the treasury stock method. At December 31, 2013, the Company had outstanding warrants to purchase 23,750,000 shares of common stock. For all periods presented, the weighted average of these shares was excluded from the calculation of diluted income (loss) per share of common stock because their inclusion would have been anti-dilutive. As a result, dilutive income (loss) per share of common stock is equal to basic income (loss) per share of common share.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash accounts in a financial institution, which at times, may exceed the Federal depository insurance coverage of \$250,000. The Company has not experienced losses on these accounts and management believes that the Company is not exposed to significant risks on such accounts.

Income Taxes

The Company complies with the accounting and reporting requirements of Financial Accounting Standards Board Accounting Standard Codification, or FASB ASC, 740, "Income Taxes," which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

There were no unrecognized tax benefits as of December 31, 2013. FASB ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties at December 31, 2013. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position. The Company has been subject to income tax examinations by major taxing authorities since inception.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

2. Significant Accounting Policies – (continued)

Offering Costs

The Company complies with the requirements of the SEC Staff Accounting Bulletin Topic 5A, “Expenses of Offering.” Offering costs consist principally of professional and registration fees incurred through the balance sheet date that are related to the Public Offering and that were charged to stockholders’ equity upon the completion of the Public Offering. Accordingly, at December 31, 2013, offering costs totaling approximately \$550,301 (in addition to \$5,750,000 in upfront and \$12,125,000 in deferred underwriters fees) have been charged to stockholders’ equity.

Fair Value of Financial Instruments

The fair value of the Company’s assets and liabilities, which qualify as financial instruments under FASB ASC 820, “Fair Value Measurements and Disclosures,” approximates the carrying amounts represented in the balance sheet.

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on the Company’s financial statements.

3. Public Offering

Public Units

On July 30, 2013, the Company sold 32,500,000 units at a price of \$10.00 per unit in the Public Offering (which included 2,500,000 units to cover the partial exercise of the underwriters’ over-allotment option). Each unit consists of one share of the Company’s common stock, \$0.0001 par value, and one warrant to purchase one-half of one share of common stock of the Company (the “Public Warrants”). Under the terms of a warrant agreement relating to the Public Warrants (the “Warrant Agreement”), the Company has agreed to use its best efforts to file a new registration statement under the Securities Act covering the exercise of the Public Warrants following the completion of the Company’s Business Combination.

Public Warrant Terms and Conditions

Exercise Conditions — Each Public Warrant entitles the holder to purchase one-half of one share of common stock at a price of \$5.75. No fractional shares will be issued upon exercise of the warrants. If, upon exercise of the warrants, a holder would be entitled to receive a fractional interest in a share, the Company will, upon exercise, round down to the nearest whole number the number of shares of common stock to be issued to the warrant holder. Each Public Warrant will become exercisable on the later of 30 days after the completion of the Company’s Business Combination or 12 months from the closing of the Public Offering. However, if the Company does not complete a Business Combination on or prior to the 21-month (or 24-month) period allotted to complete the Business Combination, the Public Warrants will expire worthless at the end of such period. If the Company is unable to deliver registered shares of common stock to the holder upon exercise of Public Warrants during the exercise period, there will be no net cash settlement of these Public Warrants and the Public Warrants will expire worthless, unless they may be exercised on a cashless basis in the circumstances described in the Warrant Agreement.

Registration Risk — In accordance with the Warrant Agreement, the Company will be required to use its best efforts to maintain the effectiveness of a registration statement relating to common stock which would be issued upon exercise of the Public Warrants. The Company will not be obligated to deliver any shares of common stock pursuant to the exercise of a warrant and will have no obligation to settle such warrant exercise unless a registration statement under the Securities Act with respect to the shares of common stock underlying the warrants is then effective and a prospectus relating thereto is current. No warrant will be

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

3. Public Offering – (continued)

exercisable and the Company will not be obligated to issue shares of common stock upon exercise of a warrant unless common stock issuable upon such warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the warrants. Additionally, in the event that a registration is not effective at the time of exercise, the holders of such Public Warrants shall not be entitled to exercise such Public Warrants (except on a cashless basis under certain circumstances) and in no event (whether in the case of a registration statement not being effective or otherwise) will the Company be required to net cash settle or cash settle the Public Warrants. Consequently, the Public Warrants may expire unexercised, unredeemed and worthless, and an investor in the Public Offering may effectively pay the full unit price solely for the shares of common stock included in the Public Units.

Accounting — Because the Company is not required to net cash settle the Public Warrants, the Public Warrants will be recorded at fair value and classified within stockholders' equity as "Additional paid-in capital" upon their issuance in accordance with FASB ASC 815-40.

Underwriting Agreement — The Company paid an upfront underwriting discount of \$0.20 per unit up to a maximum of \$5,750,000 (effectively \$0.177 per unit sold) in the aggregate to the underwriters at the closing of the Public Offering, with an additional fee (the "Deferred Discount") equal to the difference between (a) the product of the number of shares of common stock sold as part of the units and \$0.55 and (b) the upfront underwriting discounts paid at the closing of \$5,750,000, or a total Deferred Discount of \$12,125,000 (effectively \$3.73 per unit sold). The Deferred Discount will become payable to the underwriters from the amounts held in the Trust Account solely in the event the Company completes a Business Combination. The underwriters are not entitled to any interest accrued on the Deferred Discount.

4. Related Party Transactions

Founder Shares — On April 16, 2013, the Sponsor and Dennis A. Miller purchased 10,000,000 shares of common stock (the "Founder Shares") for \$25,000, or \$.0025 per share. On June 18, 2013, in connection with the reduction in the size of the Public Offering discussed in Note 4, the Sponsor and Mr. Miller contributed, on a pro rata basis, an aggregate of 2,812,500 shares of the Company's common stock to the Company at no cost for cancellation, resulting in the Sponsor and Mr. Miller owning an aggregate of 7,187,500 shares of the Company's common stock. On July 10, 2013, the Sponsor and Mr. Miller transferred 35,000 Founder Shares on a pro rata basis to each of James M. McNamara and Ernest Del, each of whom paid a purchase price of \$175 for their respective shares (at the same per-share purchase price initially paid by the Sponsor and Mr. Miller) and agreed to serve on the Company's board of directors upon the closing of the Public Offering. On July 22, 2013, in connection with the increase of the size of the Public Offering discussed above, the Company effected a stock dividend of 0.2 shares for each outstanding share of common stock, resulting in the Company's initial stockholders holding an aggregate of 8,625,000 shares of the Company's common stock. Each of the Company's independent directors thereafter transferred at no cost 6,650 shares to the Sponsor and 350 shares to Mr. Miller.

The Founder Shares are identical to the common stock included in the Units sold in the Public Offering, except that the Founder Shares are subject to certain transfer restrictions. The initial stockholders have agreed not to transfer, assign or sell any of their Founder Shares until the earlier of (A) one year after the completion of the Company's Business Combination, or earlier if, subsequent to the Company's Business Combination, the last sales price of the Company's common stock (i) equals or exceeds \$12.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period after the Company's Business Combination, in which case fifty percent (50%) of the Founder Shares will be transferable, assignable or salable or (ii) equals or exceeds \$15.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period after the Company's Business Combination in which case the remaining fifty percent (50%) of the Founder Shares will be transferable, assignable or salable or (B) the date on which

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NOTES TO FINANCIAL STATEMENTS

4. Related Party Transactions – (continued)

the Company completes a liquidation, merger, stock exchange or other similar transaction after the Business Combination that results in all of the Company's stockholders having the right to exchange their shares of common stock for cash, securities or other property (the "Lock Up Period").

Forfeiture — As a result of the underwriters' partial exercise of their over-allotment option for the Public Offering, the initial stockholders forfeited an aggregate of 500,000 Founder Shares on July 30, 2013, which the Company has cancelled. After giving effect to the forfeitures, the initial stockholders owned 8,125,000 shares, or 20% of the Company's issued and outstanding shares.

In addition, a portion of the Founder Shares in an amount equal to 25% of the Founders Shares, or 5% of the Company's issued and outstanding shares after the Public Offering and the partial exercise of the underwriters' over-allotment option (the "Founder Earnout Shares"), will be subject to forfeiture by the Company's initial stockholders. The number of Founder Earnout Shares is 2,031,250. The Founder Earnout Shares are subject to forfeiture as follows:

- Half of the Founder Earnout Shares will be subject to forfeiture by the Company's initial stockholders on the fifth anniversary of the completion of the Company's Business Combination unless following the Business Combination the last sales price of the Company's common stock equals or exceeds \$12.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period or the Company completes a liquidation, merger, stock exchange or other similar transaction that results in all of the Company's stockholders having the right to exchange their shares of common stock for consideration in cash, securities or other property which equals or exceeds \$12.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like); and
- Half of the Founder Earnout Shares will be subject to forfeiture by the Company's initial stockholders on the fifth anniversary of the completion of the Company's initial business combination unless following the Company's initial business combination the last sales price of the Company's common stock equals or exceeds \$15.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period or the Company completes a liquidation, merger, stock exchange or other similar transaction that results in all of the Company's stockholders having the right to exchange their shares of common stock for consideration in cash, securities or other property which equals or exceeds \$15.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like).

Rights — The Founder Shares are identical to the shares included in the units sold in the Public Offering (the "Public Shares") except that (i) the Founder Shares are subject to certain transfer restrictions, as described above, and (ii) the initial stockholders have agreed to waive their redemption rights in connection with the Business Combination with respect to the Founder Shares and any Public Shares they may purchase, and to waive their redemption rights with respect to the Founder Shares if the Company fails to complete a Business Combination within 21 months (or 24 months, as applicable) from the closing of the Public Offering.

Voting — If the Company seeks stockholder approval of a Business Combination, the initial stockholders have agreed to vote their Founder Shares and any Public Shares purchased during or after the Public Offering in favor of the Business Combination.

Liquidation — The initial stockholders and their permitted transferees have agreed to waive their redemption rights with respect to the Founder Shares and any Public Shares that they may own if the Company fails to complete a Business Combination within the prescribed time frame.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

4. Related Party Transactions – (continued)

Private Placement Warrants

On July 30, 2013, the Sponsor and Dennis A. Miller purchased from the Company an aggregate of 15,000,000 Warrants at a price of \$0.50 per Warrant (a purchase price of \$7.5 million), in a private placement that occurred simultaneously with the completion of the Public Offering (the “Private Placement Warrants”). Each Private Placement Warrant entitles the holder to purchase one-half of one share of common stock at \$5.75 per half share. The purchase price of the Private Placement Warrants was added to the proceeds from the Public Offering held in the Trust Account pending completion of the Company’s Business Combination. The Private Placement Warrants (including the common stock issuable upon exercise of the Private Placement Warrants) will not be transferable, assignable or salable until 30 days after the completion of the Business Combination and they will be non-redeemable so long as they are held by the initial purchasers of the Private Placement Warrants or their permitted transferees. If the Private Placement Warrants are held by someone other than the initial purchasers of the Private Placement Warrants or their permitted transferees, the Private Placement Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Warrants included in the Units being sold in the Public Offering. Otherwise, the Private Placement Warrants have terms and provisions that are identical to those of the Warrants being sold as part of the Units in the Public Offering and have no net cash settlement provisions.

The Private Placement Warrants (including the common stock issuable upon exercise of the Private Placement Warrants) will not be transferable, assignable or salable until 30 days after the completion of the Business Combination, and they will be non-redeemable so long as they are held by the initial purchasers of the Private Placement Warrants or their permitted transferees. If the Private Placement Warrants are held by someone other than the initial purchasers of the Private Placement Warrants or their permitted transferees, the Private Placement Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants included in the Units sold in the Public Offering. Otherwise, the Private Placement Warrants have terms and provisions that are identical to those of the Public Warrants being sold as part of the Units in the Public Offering and have no net cash settlement provisions.

If the Company does not complete a Business Combination, then the proceeds will be part of the liquidating distribution to the public stockholders and the Private Placement Warrants will expire worthless.

Registration Rights

The holders of the Founder Shares, Private Placement Warrants and warrants that may be issued upon conversion of working capital loans will hold registration rights to require the Company to register the sale of any of the securities held by them pursuant to a registration rights agreement. The holders of these securities will be entitled to make up to three demands, excluding short form demands, that the Company register such securities for sale under the Securities Act. In addition, these stockholders will have “piggy-back” registration rights to include their securities in other registration statements filed by the Company. The Company will bear the costs and expenses of filing any such registration statements.

5. Other Related Party Transactions

Administrative Services

The Company has agreed to pay Mr. Graf, or an entity owned and controlled by him, a monthly consulting fee of \$15,000 plus, in the event that Mr. Graf is no longer receiving medical insurance from an employer, an additional amount per month to reimburse Mr. Graf for the purchase of such insurance, for services prior to the completion of a Business Combination (regardless of the amount of services provided), including preparation of the Company’s financial statements, SEC filings, financial due diligence of targets for a Business Combination and negotiations of an agreement for a Business Combination. The Company has incurred approximately \$75,000 under this agreement for the period ended December 31, 2013. Additionally,

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

5. Other Related Party Transactions – (continued)

the Company will reimburse the Sponsor for office space, secretarial and administrative services provided to members of the Company’s management team by the Sponsor, members of the Sponsor, and the Company’s management team or their affiliates in an amount not to exceed \$10,000 per month in the event such space and/or services are utilized and the Company does not pay a third party directly for such services. Upon completion of a Business Combination or the Company’s liquidation, the Company will cease paying these monthly fees. The Company has incurred \$0 under this agreement for the period ended December 31, 2013.

Note Payable

Prior to the closing of the Public Offering, the Sponsor agreed to loan the Company up to \$200,000 to be used for a portion of the expenses of the Public Offering. In May 2013, the Sponsor advanced an aggregate of \$100,000 to the Company under an unsecured promissory note (the “Note”). These loans were non-interest bearing, unsecured and were due at the closing of the Public Offering. \$57,873 in additional advances were made by the Sponsor to the Company in July 2013, and the total aggregate loan of \$157,873 was repaid upon the closing of the Public Offering out of the \$750,000 of offering proceeds that was allocated to the payment of offering expenses.

6. Fair Value Measurements

The Company complies with ASC 820, “Fair Value Measurement”, for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually. The adoption of ASC 820 did not have an impact on the Company’s financial position or results of operations.

The following table presents information about the Company’s assets that are measured at fair value on a recurring basis as of December 31, 2013, and indicates the fair value hierarchy of the valuation techniques that the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and includes situations where there is little, if any, market activity for the asset or liability:

Description	December 31, 2013	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Investments and cash held in Trust Account	\$ 325,013,723	\$ 325,013,723	\$ —	\$ —

United States Treasury Securities: The Company used Level 1 inputs to value the U.S. Treasury securities in the Trust Account for disclosure purposes.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO FINANCIAL STATEMENTS

7. Income Taxes

Components of the Company's deferred tax assets at December 31, 2013 are as follows:

Net operating loss carryforwards	\$ 30,000
Amortizable start-up costs	193,665
	<hr/>
	223,665
Valuation allowance	(223,665)
	\$ —

The Company established a valuation allowance of approximately \$224,000 as of December 31, 2013, which fully offsets the deferred tax asset of approximately \$224,000. The deferred tax asset results from applying an effective combined federal and state tax rate of 40% to start-up costs of approximately \$484,000 and net operating losses of approximately \$75,000. The Company's net operating losses will expire beginning in 2031. Effective tax rates differ from statutory rates due to timing differences in the deductibility of expenses and the establishment of the valuation allowance.

8. Stockholder's Equity

Common Stock — The authorized common stock of the Company includes up to 400,000,000 shares. Holders of the Company's common stock are entitled to one vote for each share of common stock. On June 18, 2013, our initial stockholders returned to the Company, on a pro rata basis, an aggregate of 2,812,500 shares of the Company's common stock, which were cancelled by the Company, so that the initial stockholders held in the aggregate 7,187,500 shares of the Company's common stock. On July 22, 2013, in connection with the increase of the size of the Public Offering, we effected a stock dividend of 0.2 shares for each outstanding share of common stock, resulting in our initial stockholders holding an aggregate of 8,625,000 shares of our common stock. Each of our independent directors thereafter transferred 6,650 shares to our Sponsor and 350 shares to Mr. Miller.

Preferred Shares — The Company is authorized to issue 1,000,000 preferred shares with such designations, voting and other rights and preferences as may be determined from time to time by the Board of Directors. At December 31, 2013, there were no shares of preferred stock outstanding.

SILVER EAGLE ACQUISITION CORP.
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Condensed Interim Balance Sheets
(unaudited)

	<u>September 30, 2014 (unaudited)</u>	<u>December 31, 2013</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 19,997	\$ 805,924
Cash equivalents held in Trust Account	324,849,061	325,013,723
Total Assets	<u>\$324,869,058</u>	<u>\$ 325,819,647</u>
Liabilities and Stockholders' Equity:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 319,211	\$ 79,110
Franchise tax accrual	71,137	75,000
Accrued offering costs	107,920	107,920
Total current liabilities	498,268	262,030
Deferred underwriting commission	12,125,000	12,125,000
Total liabilities	<u>12,623,268</u>	<u>12,387,030</u>
Common stock subject to possible redemption; 30,724,578 and 30,843,261 (at redemption value of \$10.00) at September 30, 2014 and December 31, 2013, respectively	307,245,783	308,432,610
Stockholders' equity:		
Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Common stock, \$0.0001 par value; 400,000,000 shares authorized; 9,900,422 and 9,781,739 shares issued and outstanding at September 30, 2014 and December 31, 2013, respectively (excluding shares subject to redemption) ⁽¹⁾	990	978
Additional paid-in capital	6,745,012	5,558,191
Deficit accumulated during the development stage	(1,745,995)	(559,162)
Total stockholders' equity, net	<u>5,000,007</u>	<u>5,000,007</u>
Total liabilities and stockholders' equity	<u>\$325,869,058</u>	<u>\$ 325,819,647</u>

(1) Share amounts have been retroactively restated to reflect the contribution to the Company of 2,812,500 shares by the Company's Founders on June 18, 2013 and the stock dividend of 1,437,500 shares declared by the Company on July 22, 2013 (see Note 5).

The accompanying notes are an integral part of these condensed financial statements.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

Condensed Interim Statements of Operations
(unaudited)

	Three Months Ended September 30, 2014	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2014	Period from April 11, 2013 (inception) through September 30, 2013	Period from April 11, 2013 (inception) through September 30, 2014
Revenue	\$ —	\$ —	\$ —	\$ —	\$ —
Formation and operating costs	408,186	192,599	1,211,141	200,599	1,784,025
Loss from operations	(408,186)	(192,599)	(1,211,141)	(200,599)	(1,784,025)
Interest income	8,192	4,824	24,308	4,824	38,030
Loss before provision for income taxes	(399,994)	(187,775)	(1,186,833)	(195,775)	(1,745,995)
Provision for income taxes	—	—	—	—	—
Net loss applicable to common stockholders	<u>\$ (399,994)</u>	<u>\$ (187,775)</u>	<u>\$ (1,186,833)</u>	<u>\$ (195,775)</u>	<u>\$ (1,745,995)</u>
Weighted average number of shares of common stock outstanding, basic and diluted (excluding shares subject to possible redemption) ⁽¹⁾	9,860,857	9,222,035	9,819,896	8,708,394	9,449,808
Net loss per share of common stock, basic and diluted	<u>\$ (0.04)</u>	<u>\$ (0.02)</u>	<u>\$ (0.12)</u>	<u>\$ (0.02)</u>	<u>\$ (0.18)</u>

(1) Share amounts have been retroactively restated to reflect the contribution to the Company of 2,812,500 shares by the Company's initial stockholders on June 18, 2013 and the stock dividend of 1,437,500 shares declared by the Company on July 22, 2013 (see Note 5).

The accompanying notes are an integral part of these condensed financial statements.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

Condensed Interim Statement of Stockholders' Equity
(unaudited)
For the period from April 11, 2013 (date of inception) to September 30, 2014

	Common Shares		Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total Stockholders' Equity
	Shares	Amount			
Sales of common stock to Sponsor and Dennis A. Miller on April 11, 2013 at \$0.0025 per share ⁽¹⁾	8,625,000	\$ 863	\$ 24,137	\$ —	\$ 25,000
Sales of common stock through public offering on July 30, 2013 at \$10.00 per unit	32,500,000	3,250	324,996,750		325,000,000
Underwriters' fees and offering expenses			(18,533,221)		(18,533,221)
Proceeds from private placement of 15,000,000 warrants			7,500,000		7,500,000
Forfeiture of common stock by Sponsor on July 30, 2013	(500,000)	(50)	50		—
Proceeds subject to possible redemption of 30,843,261 shares at December 31, 2013	(30,843,261)	(3,085)	(308,429,525)		(308,432,610)
Net loss for the period from April 11, 2013 (date of inception) to December 31, 2013				(559,162)	(559,162)
Balances, at December 31, 2013	<u>9,781,739</u>	<u>\$ 978</u>	<u>\$ 5,558,191</u>	<u>\$ (559,162)</u>	<u>\$ 5,000,007</u>
Change in shares subject to possible redemption (unaudited)	118,683	12	1,186,821	—	1,186,833
Net loss for the three month period ended September 30, 2014 (unaudited)				(1,186,833)	(1,186,833)
Balances, at September 30, 2014 (unaudited)	<u>9,900,422</u>	<u>\$ 990</u>	<u>\$ 6,745,012</u>	<u>\$ (1,745,995)</u>	<u>\$ 5,000,007</u>

(1) Share amounts have been retroactively restated to reflect the contribution to the Company of 2,812,500 shares by the Company's initial stockholders on June 18, 2013 and the stock dividend of 1,437,500 shares declared by the Company on July 22, 2013 (see Note 5).

The accompanying notes are an integral part of these condensed financial statements.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

Condensed Interim Statements of Cash Flows
(unaudited)

	Nine Months Ended September 30, 2014	Period from April 11, 2013 (inception) to September 30, 2013	Period from April 11, 2013 (inception) to September 30, 2014
Cash Flows From Operating Activities:			
Net loss	\$ (1,186,833)	\$ (195,775)	\$ (1,745,995)
Changes in operating assets and liabilities:			
Accounts payable and accrued expenses	236,244	57,792	390,353
Net cash used in operating activities	<u>(950,589)</u>	<u>(137,983)</u>	<u>(1,355,642)</u>
Cash Flows from Investing Activities:			
Principal deposited in Trust Account	—	(325,000,000)	(325,000,000)
Interest reinvested into Trust Account	(24,307)	(4,824)	(38,031)
Withdrawal of Trust Account funds for payment of Delaware franchise tax	188,970	—	188,970
Net cash used in investing activities	<u>164,663</u>	<u>(325,004,824)</u>	<u>(324,849,061)</u>
Cash Flows from Financing Activities:			
Proceeds from sale of common stock to initial stockholders	—	25,000	25,000
Proceeds from unsecured promissory note payable to Sponsor, net	—	157,873	157,873
Net proceeds from Public Offering, after payment of upfront underwriting fee	—	319,250,000	319,250,000
Net proceeds from private placement	—	7,500,000	7,500,000
Repayment of Sponsor note	—	(157,873)	(157,873)
Payment of offering costs	—	(550,300)	(550,300)
Net cash provided by financing activities	<u>—</u>	<u>326,224,700</u>	<u>326,224,700</u>
Increase in cash	(785,927)	1,081,893	19,997
Cash at beginning of period	805,924	—	—
Cash at end of period	<u>\$ 19,997</u>	<u>1,081,893</u>	<u>\$ 19,997</u>
Supplemental Disclosure of Non-Cash Financing Activities:			
Accrued offering costs	\$ —	\$ 107,920	\$ 107,920
Deferred underwriter fee	\$ —	12,125,000	12,125,000

The accompanying notes are an integral part of these condensed financial statements.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 1. Interim Financial Information

The accompanying unaudited interim financial statements of Silver Eagle Acquisition Corp. (a corporation in the development stage) (the “Company”) should be read in conjunction with the audited financial statements and notes thereto included in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on March 27, 2014. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and in accordance with the instructions to Form 10-Q and Article 8 and Article 10 of Regulation S-X. Since they are interim statements, the accompanying financial statements do not include all of the information and notes required by GAAP for a complete financial statement presentation. In the opinion of management, the interim financial statements reflect all adjustments (consisting of normal, recurring adjustments) that are necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented. Interim results are not necessarily indicative of results for a full year.

Note 2. Organization and Business Operations

Incorporation

The Company was incorporated in Delaware on April 11, 2013.

Sponsor

The Company’s sponsor is Global Eagle Acquisition LLC, a Delaware limited liability company (the “Sponsor”). Members of the Sponsor include Harry E. Sloan, the Company’s Chairman and Chief Executive Officer, Jeff Sagansky, the Company’s President and James A. Graf, the Company’s Vice President, Chief Financial Officer, Treasurer and Secretary.

Fiscal Year End

The Company has selected December 31 as its fiscal year end.

Business Purpose

The Company was formed for the purpose of acquiring, through a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or other similar business combination, one or more operating businesses or assets that the Company has not yet identified (“Business Combination”). The Company has neither engaged in any operations nor generated significant revenue to date. The Company is considered to be in the development stage as defined in Financial Accounting Standards Board, or FASB, Accounting Standard Codification, or ASC, 915, “Development Stage Entities,” and is subject to the risks associated with activities of development stage companies.

The Company’s management has broad discretion with respect to the Business Combination. However, there is no assurance that the Company will be able to successfully complete a Business Combination.

Financing

On July 30, 2013, the Company consummated an initial public offering (the “Public Offering”) and a concurrent private placement. Approximately \$325,000,000 of the proceeds of the Public Offering and private placement was placed in the Trust Account (defined below). The Company intends to finance a Business Combination in part with proceeds from the Public Offering and the private placement that are held in the Trust Account. See Notes 4 and 5 below.

Trust Account

The trust account (the “Trust Account”) can be invested in permitted United States “government securities” within the meaning of Section 2(a)(16) of the Investment Company Act of 1940, as amended (the

SILVER EAGLE ACQUISITION CORP.
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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 2. Organization and Business Operations – (continued)

“Investment Company Act”), having a maturity of 180 days or less or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations.

The Company’s amended and restated certificate of incorporation provides that, other than the withdrawal of interest to pay income taxes, if any, and a one-time release of amounts necessary to pay Delaware franchise taxes for 2013 on a timely basis, none of the funds held in trust will be released until the earlier of: (i) the completion of the Business Combination; or (ii) the redemption of 100% of the shares of common stock included in the Units sold in the Public Offering if the Company is unable to complete a Business Combination within 21 months from the closing of the Public Offering, or 24 months from the closing of the Public Offering if the Company has executed a letter of intent, agreement in principle or definitive agreement for a Business Combination within 21 months from the closing of the Public Offering but has not completed the Business Combination within such 21-month period (subject to the requirements of law).

Business Combination

A Business Combination is subject to the following size, focus and stockholder approval provisions:

Size/Control — The Company’s Business Combination must occur with one or more target businesses that together have a fair market value of at least 80% of the assets held in the Trust Account (excluding the deferred underwriting commissions and taxes payable on the income earned on the Trust Account) at the time of the agreement to enter into the Business Combination. The Company will not complete a Business Combination unless it acquires a controlling interest in a target company or is otherwise not required to register as an investment company under the Investment Company Act.

Focus — The Company’s efforts in identifying prospective target businesses will initially be focused on businesses in the media and entertainment industries, but the Company may pursue opportunities in other business sectors.

Tender Offer/Stockholder Approval — The Company, after signing a definitive agreement for a Business Combination, will either (i) seek stockholder approval of the Business Combination at a meeting called for such purpose in connection with which stockholders may seek to redeem their shares, regardless of whether they vote for or against the Business Combination, for cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable, or (ii) provide stockholders with the opportunity to sell their shares to the Company by means of a tender offer (and thereby avoid the need for a stockholder vote) for an amount in cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable. The decision as to whether the Company will seek stockholder approval of the Business Combination or will allow stockholders to sell their shares in a tender offer will be made by the Company, solely in its discretion, and will be based on a variety of factors such as the timing of the transaction and whether the terms of the transaction would otherwise require the Company to seek stockholder approval. If the Company seeks stockholder approval, it will complete its Business Combination only if a majority of the outstanding shares of common stock voted are voted in favor of the Business Combination. However, in no event will the Company redeem its public shares in an amount that would cause its net tangible assets to be less than \$5,000,001. In such case, the Company would not proceed with the redemption of its public shares and the related Business Combination, and instead may search for an alternate Business Combination.

Regardless of whether the Company holds a stockholder vote or a tender offer in connection with a Business Combination, the Company’s public stockholders will have the right to redeem their shares for an amount in cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable. As a result, such shares of common stock are

SILVER EAGLE ACQUISITION CORP.
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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 2. Organization and Business Operations – (continued)

recorded at conversion/tender value and classified as temporary equity upon the completion of the Public Offering, in accordance with FASB ASC Topic 480, “Distinguishing Liabilities from Equity.”

Going Concern Consideration

If the Company does not complete a Business Combination within 21 months from the closing of the Public Offering, or 24 months from the closing of the Public Offering if the Company has executed a letter of intent, agreement in principle or definitive agreement for a Business Combination within 21 months from the closing of the Public Offering but has not completed the Business Combination within such 21-month period, the Company will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem 100% of the common stock sold as part of the units in the Public Offering, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest but net of franchise and income taxes payable (less up to \$100,000 of such net interest which may be distributed to the Company to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders’ rights as stockholders (including the right to receive further liquidation distributions, if any), and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the Company’s remaining stockholders and the Company’s board of directors, dissolve and liquidate, subject in each case to the Company’s obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law. This mandatory liquidation and subsequent dissolution raises substantial doubt about the Company’s ability to continue as a going concern.

In the event of liquidation, it is likely that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the initial public offering price per share in the Public Offering (assuming no value is attributed to the warrants contained in the units sold in the Public Offering discussed in Note 4).

Emerging Growth Company

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a registration statement under the Securities Act of 1933, as amended (the “Securities Act”) declared effective or do not have a class of securities registered under the Securities Exchange Act of 1934, as amended) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Reclass of Prior Period Amounts

While preparing its financial statements for the six months ended June 30, 2014, the Company identified and corrected an error related to the accounting for the Company’s changes in amounts subject to possible redemption for the year ended December 31, 2013. The Company determined that its changes in amounts subject to possible redemption should have been accounted for as an adjustment to additional paid-in capital instead of as an adjustment to accumulated deficit. There was no change in previously reported total assets, total liabilities, common stock subject to possible redemption or net loss attributable to common shares for

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 2. Organization and Business Operations – (continued)

any of the periods. The accompanying condensed financial statements have been revised to reflect a balance in accumulated deficit with a corresponding increase of additional paid-in capital as of December 31, 2013. In accordance with SEC Staff Accounting Bulletin Nos. 99 and 108 (“SAB 99” and “SAB 108”), the Company has evaluated these errors and, based on an analysis of quantitative and qualitative factors, has determined that they were not material to each of the prior reporting periods affected and no amendments of previously filed 10-Q or 10-K reports with the SEC are required.

Note 3. Significant Accounting Policies

Basis of Presentation

The accompanying financial statements of the Company are presented in U.S. dollars in conformity with GAAP and pursuant to the rules and regulations of the SEC.

Development Stage Company

The Company complies with the reporting requirements of ASC 915, “Development Stage Entities.” At September 30, 2014, the Company had not commenced any operations nor generated revenue to date. The Company’s activities through the date the financial statements were issued consist of organizational activities, activities relating to the Public Offering, activities relating to identifying and evaluating prospective acquisition candidates and activities relating to general corporate matters. Following the Public Offering, the Company will not generate any operating revenues until after completion of a Business Combination, at the earliest. The Company may generate non-operating income in the form of interest income on the assets held in the Trust Account after the Public Offering.

Net Loss Per Share

Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by dividing net loss per share by the weighted average number of shares of common stock outstanding, plus, to the extent dilutive, the incremental number of shares of common stock to settle warrants held by the Sponsor (see Note 5), as calculated using the treasury stock method. At September 30, 2014, the Company had outstanding warrants to purchase 23,750,000 shares of common stock. For all periods presented, the weighted average of these shares was excluded from the calculation of diluted loss per share of common stock because their inclusion would have been anti-dilutive. As a result, dilutive loss per share of common stock is equal to basic loss per share of common stock.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash accounts in a financial institution, which, at times, may exceed the Federal depository insurance coverage of \$250,000. The Company has not experienced losses on these accounts, and management believes the Company is not exposed to significant risks on such accounts.

Income Taxes

The Company complies with the accounting and reporting requirements of FASB ASC 740, “Income Taxes,” which requires an asset and liability approach to financial accounting and reporting for income taxes.

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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 3. Significant Accounting Policies – (continued)

Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

There were no unrecognized tax benefits as of September 30, 2014 and December 31, 2013. FASB ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties at September 30, 2014 and December 31, 2013. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position. The Company has been subject to income tax examinations by major taxing authorities since inception.

Offering Costs

The Company complies with the requirements of the SEC Staff Accounting Bulletin Topic 5A, “Expenses of Offering.” Offering costs consist principally of professional and registration fees incurred through the balance sheet date that are related to the Public Offering and that were charged to stockholders’ equity upon the completion of the Public Offering. Accordingly, at September 30, 2014, offering costs totaling approximately \$550,300 (in addition to \$5,750,000 in upfront and \$12,125,000 in deferred underwriters fees) have been charged to stockholders’ equity.

Fair Value of Financial Instruments

The fair value of the Company’s assets and liabilities, which qualify as financial instruments under FASB ASC 820, “Fair Value Measurements and Disclosures,” approximates the carrying amounts represented in the balance sheet.

Recent Accounting Pronouncements

In June 2014, FASB issued Accounting Standards Update (“ASU”) No. 2014-10, which eliminated certain financial reporting requirements of companies previously identified as “Development Stage Entities” (Topic 915). The amendments in this ASU simplify accounting guidance by removing all incremental financial reporting requirements for development stage entities. The amendments also reduce data maintenance and, for those entities subject to audit, audit costs by eliminating the requirement for development stage entities to present inception-to-date information in the statements of income, cash flows, and stockholder equity. Early application of each of the amendments is permitted for any annual reporting period or interim period for which the entity’s balance sheet has not yet been issued (public business entities) or made available for issuance (other entities). Upon adoption, entities will no longer present or disclose any information required by Topic 915. For public business entities, those amendments are effective for annual reporting periods beginning after December 15, 2014, and interim periods therein. The Company is currently evaluating the impact that this pronouncement would have on the Company’s financial statements.

Management does not believe that any other recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on the Company’s financial statements.

SILVER EAGLE ACQUISITION CORP.
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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
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Note 4. Public Offering

Public Units

The Public Offering initially called for the Company to offer for sale 40,000,000 units at a price of \$10.00 per unit. Thereafter, the Company determined to reduce the size of the Public Offering to 25,000,000 units and then subsequently to increase the size of the offering to 30,000,000 units at a price of \$10.00 per unit. Each unit consists of one share of the Company's common stock, \$0.0001 par value, and one warrant to purchase one-half of one share of common stock of the Company (the "Public Warrants").

On July 30, 2013, the Company sold 32,500,000 units at a price of \$10.00 per unit in the Public Offering (which included 2,500,000 units to cover the partial exercise of the underwriters' over-allotment option). Under the terms of a warrant agreement relating to the Public Warrants (the "Warrant Agreement"), the Company has agreed to use its best efforts to file a new registration statement under the Securities Act covering the exercise of the Public Warrants following the completion of the Company's Business Combination.

Public Warrant Terms and Conditions

Exercise Conditions — Each Public Warrant entitles the holder to purchase one-half of one share of common stock at a price of \$5.75 per half share (\$11.50 per whole share). No fractional shares will be issued upon exercise of the warrants. If, upon exercise of the warrants, a holder would be entitled to receive a fractional interest in a share, the Company will, upon exercise, round down to the nearest whole number the number of shares of common stock to be issued to the warrant holder. Each Public Warrant will become exercisable on the later of 30 days after the completion of the Company's Business Combination or 12 months from the closing of the Public Offering. However, if the Company does not complete a Business Combination on or prior to the expiration of the 21-month (or 24-month) period allotted to complete the Business Combination, the Public Warrants will expire at the end of such period. If the Company is unable to deliver registered shares of common stock to the holder upon exercise of Public Warrants during the exercise period, there will be no net cash settlement of these Public Warrants and the Public Warrants will expire worthless, unless they may be exercised on a cashless basis in the circumstances described in the Warrant Agreement.

Registration Risk — In accordance with the Warrant Agreement, the Company will be required to use its best efforts to maintain the effectiveness of a registration statement relating to common stock which would be issued upon exercise of the Public Warrants. The Company will not be obligated to deliver any shares of common stock pursuant to the exercise of a warrant and will have no obligation to settle such warrant exercise unless a registration statement under the Securities Act with respect to the shares of common stock underlying the warrants is then effective and a prospectus relating thereto is current. No warrant will be exercisable and the Company will not be obligated to issue shares of common stock upon exercise of a warrant unless common stock issuable upon such warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the warrants. Additionally, in the event that a registration statement is not effective at the time of exercise, the holders of Public Warrants shall not be entitled to exercise such Public Warrants (except on a cashless basis under certain circumstances) and in no event (whether in the case of a registration statement not being effective or otherwise) will the Company be required to net cash settle or cash settle the Public Warrants. Consequently, the Public Warrants may expire unexercised, unredeemed and worthless, and an investor in the Public Offering may effectively pay the full unit price solely for the shares of common stock included in the Public Units.

Accounting — Because the Company is not required to net cash settle the Public Warrants, the Public Warrants will be recorded at fair value and classified within stockholders' equity as "Additional paid-in capital" upon their issuance in accordance with FASB ASC 815-40.

SILVER EAGLE ACQUISITION CORP.
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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 4. Public Offering – (continued)

Underwriting Agreement— The Company paid an upfront underwriting discount of \$0.20 per unit up to a maximum of \$5,750,000 (effectively \$0.177 per unit sold) in the aggregate to the underwriters at the closing of the Public Offering, with an additional fee (the “Deferred Discount”) equal to the difference between (a) the product of the number of shares of common stock sold as part of the units and \$0.55 and (b) the upfront underwriting discount paid at the closing of \$5,750,000, or a total Deferred Discount of \$12,125,000 (effectively \$0.373 per unit sold). The Deferred Discount will become payable to the underwriters from the amounts held in the Trust Account solely in the event the Company completes a Business Combination. The underwriters are not entitled to any interest accrued on the Deferred Discount.

Note 5. Related Party Transactions

Founder Shares— On April 16, 2013, the Sponsor and Dennis A. Miller purchased 10,000,000 shares of common stock (the “Founder Shares”) for \$25,000, or \$0.0025 per share. On June 18, 2013, in connection with the reduction in the size of the Public Offering discussed in Note 4, the Sponsor and Mr. Miller contributed, on a pro rata basis, an aggregate of 2,812,500 shares of the Company’s common stock to the Company at no cost for cancellation, resulting in the Sponsor and Mr. Miller owning an aggregate of 7,187,500 shares of the Company’s common stock. On July 10, 2013, the Sponsor and Mr. Miller transferred 35,000 Founder Shares on a pro rata basis to each of James M. McNamara and Ernest Del, each of whom paid a purchase price of \$87.50 for their respective shares (at the same per-share purchase price initially paid by the Sponsor and Mr. Miller) and agreed to serve on the Company’s board of directors upon the closing of the Public Offering. On July 22, 2013, in connection with the increase of the size of the Public Offering discussed above, the Company effected a stock dividend of 0.2 shares for each outstanding share of common stock, resulting in the Company’s initial stockholders holding an aggregate of 8,625,000 shares of the Company’s common stock. Each of the Company’s independent directors thereafter transferred at no cost 6,650 shares to the Sponsor and 350 shares to Mr. Miller.

The Founder Shares are identical to the common stock included in the Units sold in the Public Offering except that the Founder Shares are subject to certain transfer restrictions. The initial stockholders have agreed not to transfer, assign or sell any of their Founder Shares until the earlier of (A) one year after the completion of the Company’s Business Combination, or earlier if, subsequent to the Company’s Business Combination, the last sales price of the Company’s common stock (i) equals or exceeds \$12.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period after the Company’s Business Combination, in which case fifty percent (50%) of the Founder Shares will be transferable, assignable or salable or (ii) equals or exceeds \$15.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period after the Company’s Business Combination in which case the remaining fifty percent (50%) of the Founder Shares will be transferable, assignable or salable or (B) the date on which the Company completes a liquidation, merger, stock exchange or other similar transaction after the Business Combination that results in all of the Company’s stockholders having the right to exchange their shares of common stock for cash, securities or other property.

Forfeiture— As a result of the underwriters’ partial exercise of their over-allotment option for the Public Offering, the initial stockholders forfeited an aggregate of 500,000 Founder Shares on July 30, 2013, which the Company has cancelled. After giving effect to the forfeitures, the Initial Stockholders owned 8,125,000 shares, or 20% of the Company’s issued and outstanding shares.

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 5. Related Party Transactions – (continued)

In addition, a portion of the Founder Shares in an amount equal to 25% of the Founders Shares, or 5% of the Company's issued and outstanding shares after the Public Offering and the partial exercise of the underwriters' over-allotment option (the "Founder Earnout Shares"), will be subject to forfeiture by the Company's initial stockholders. The number of Founder Earnout Shares is 2,031,250. The Founder Earnout Shares are subject to forfeiture as follows:

- Half of the Founder Earnout Shares will be subject to forfeiture by the Company's initial stockholders on the fifth anniversary of the completion of the Company's Business Combination unless following the Business Combination the last sales price of the Company's common stock equals or exceeds \$12.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period or the Company completes a liquidation, merger, stock exchange or other similar transaction that results in all of the Company's stockholders having the right to exchange their shares of common stock for consideration in cash, securities or other property which equals or exceeds \$12.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like); and
- Half of the Founder Earnout Shares will be subject to forfeiture by the Company's initial stockholders on the fifth anniversary of the completion of the Company's initial business combination unless following the Company's initial business combination the last sales price of the Company's common stock equals or exceeds \$15.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period or the Company completes a liquidation, merger, stock exchange or other similar transaction that results in all of the Company's stockholders having the right to exchange their shares of common stock for consideration in cash, securities or other property which equals or exceeds \$15.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like).

Rights — The Founder Shares are identical to the shares included in the units sold in the Public Offering (the "Public Shares") except that (i) the Founder Shares are subject to certain transfer restrictions, as described above, and (ii) the initial stockholders have agreed to waive their redemption rights in connection with the Business Combination with respect to the Founder Shares and any Public Shares they may purchase, and to waive their redemption rights with respect to the Founder Shares if the Company fails to complete a Business Combination within 21 months (or 24 months, as applicable) from the closing of the Public Offering.

Voting — If the Company seeks stockholder approval of a Business Combination, the initial stockholders have agreed to vote their Founder Shares and any Public Shares purchased during or after the Public Offering in favor of the Business Combination.

Liquidation — Although the initial stockholders and their permitted transferees have agreed to waive their rights to liquidating distributions with respect to the Founder Shares if the Company fails to complete a Business Combination within the prescribed time frame, they will be entitled to receive liquidating distributions with respect to any Public Shares they may own.

Private Placement Warrants

On July 30, 2013, the Sponsor and Dennis A. Miller purchased from the Company an aggregate of 15,000,000 Warrants at a price of \$0.50 per Warrant (a purchase price of \$7.5 million), in a private placement that occurred simultaneously with the completion of the Public Offering (the "Private Placement Warrants"). Each Private Placement Warrant entitles the holder to purchase one-half of one share of common stock at \$5.75 per half share (\$11.50 per whole share). The purchase price of the Private Placement Warrants was added to the proceeds from the Public Offering held in the Trust Account pending completion of the

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 5. Related Party Transactions – (continued)

Company's Business Combination. The Private Placement Warrants (including the common stock issuable upon exercise of the Private Placement Warrants) will not be transferable, assignable or salable until 30 days after the completion of the Business Combination, and they will be non-redeemable so long as they are held by the initial purchasers of the Private Placement Warrants or their permitted transferees. If the Private Placement Warrants are held by someone other than the initial purchasers of the Private Placement Warrants or their permitted transferees, the Private Placement Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants. Otherwise, the Private Placement Warrants have terms and provisions that are identical to those of the Public Warrants and have no net cash settlement provisions.

If the Company does not complete a Business Combination, then the proceeds from the sale of the Private Placement Warrants will be part of the liquidating distribution to the public stockholders, and the Private Placement Warrants will expire worthless.

Registration Rights

The holders of the Founder Shares, Private Placement Warrants and warrants that may be issued upon conversion of working capital loans will hold registration rights to require the Company to register the sale of any of the securities held by them pursuant to a registration rights agreement. The holders of these securities will be entitled to make up to three demands, excluding short form demands, that the Company register such securities for sale under the Securities Act. In addition, these stockholders will have "piggy-back" registration rights to include their securities in other registration statements filed by the Company. The Company will bear the costs and expenses of filing any such registration statements.

Note 6. Other Related Party Transactions

Administrative Services

The Company has agreed to pay Mr. Graf, or an entity owned and controlled by him, a monthly consulting fee of \$15,000 plus, in the event that Mr. Graf is no longer receiving medical insurance from an employer, an additional amount per month to reimburse Mr. Graf for the purchase of such insurance, for services prior to the completion of a Business Combination (regardless of the amount of services provided), including preparation of the Company's financial statements, SEC filings, financial due diligence of targets for a Business Combination and negotiations of an agreement for a Business Combination. The Company has incurred approximately \$45,000 under this agreement for the three month period ended September 30, 2014 and approximately \$210,000 under this agreement since inception. Additionally, the Company will reimburse the Sponsor for office space, secretarial and administrative services provided to members of the Company's management team by the Sponsor, members of the Sponsor, and the Company's management team or their affiliates in an amount not to exceed \$10,000 per month in the event such space and/or services are utilized and the Company does not pay a third party directly for such services. Upon completion of a Business Combination or the Company's liquidation, the Company will cease paying these monthly fees. The Company has incurred \$nil under this agreement for the period ended September 30, 2014.

SILVER EAGLE ACQUISITION CORP.
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NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 6. Other Related Party Transactions – (continued)

Note Payable

Prior to the closing of the Public Offering, the Sponsor agreed to loan the Company up to \$200,000 to be used for a portion of the expenses of the Public Offering. In May 2013, the Sponsor advanced an aggregate of \$100,000 to the Company under an unsecured promissory note (the “Note”). These loans were non-interest bearing, unsecured and were due at the closing of the Public Offering. \$57,873 in additional advances were made by the Sponsor to the Company in July 2013, and the total aggregate loan of \$157,873 was repaid upon the closing of the Public Offering out of the \$750,000 of offering proceeds that was allocated to the payment of offering expenses.

Note 7. Trust Account

A total of \$325,000,000 of the net proceeds from the Public Offering and the private placement was placed in the Trust Account.

As of September 30, 2014 and December 31, 2013, investment securities in the Company’s Trust Account consist of \$324,849,061 and \$325,013,723, respectively, in money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act which invest only in direct U.S. government treasury obligations.

Note 8. Fair Value Measurements

The Company complies with ASC 820, “Fair Value Measurement,” for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually. The adoption of ASC 820 did not have an impact on the Company’s financial position or results of operations.

The following tables present information about the Company’s assets and liabilities that are measured at fair value on a recurring basis as of September 30, 2014 and December 31, 2013 and indicate the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability and include situations where there is little, if any, market activity for the asset or liability:

Description	September 30, 2014 (unaudited)	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Assets:				
Restricted cash equivalents held in Trust Account	\$ 324,849,061	\$ 324,849,061	\$ —	\$ —
Description	December 31, 2013	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Assets:				
Restricted cash equivalents held in Trust Account	\$ 325,013,723	\$ 325,013,723	\$ —	\$ —

SILVER EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)

Note 9. Stockholders' Equity

Common Stock — The authorized common stock of the Company includes up to 400,000,000 shares. Holders of the Company's common stock are entitled to one vote for each share of common stock. On June 18, 2013, our initial stockholders returned to the Company, on a pro rata basis, an aggregate of 2,812,500 shares of the Company's common stock, which were cancelled by the Company, so that the initial stockholders held in the aggregate 7,187,500 shares of the Company's common stock. On July 22, 2013, in connection with the increase of the size of the Public Offering, the Company effected a stock dividend of 0.2 shares for each outstanding share of common stock, resulting in the Company's initial stockholders holding an aggregate of 8,625,000 shares of the Company's common stock. Each of the Company's independent directors thereafter transferred 6,650 shares to the Sponsor and 350 shares to Mr. Miller.

Preferred Shares — The Company is authorized to issue 1,000,000 preferred shares with such designations, voting and other rights and preferences as may be determined from time to time by the Board of Directors. At September 30, 2014 and December 31, 2013, there were no shares of preferred stock outstanding.

Note 10. Subsequent Events

On November 12, 2014, the Company issued a convertible promissory note (the "Convertible Note") to the Sponsor that provides for the Sponsor to advance to the Company, from time to time, up to \$1,000,000 for ongoing expenses.

The Convertible Note is non-interest bearing and is payable on the earlier of (i) the completion of a Business Combination by the Company or (ii) July 30, 2015.

At the option of the Sponsor, any amounts outstanding under the Convertible Note may be converted into warrants to purchase shares of common stock of the Company at a conversion price of \$0.50 per warrant. Each warrant will entitle the Sponsor to purchase one-half of one share of common stock of the Company at an exercise price of \$5.75 per half share (\$11.50 per whole share). Each warrant will contain other terms identical to the terms contained in the Private Placement Warrants previously issued to the Sponsor.

As of November 12, 2014, the Company had drawn \$300,000 upon the Convertible Note.

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by and between

VIDEOCON D2H LIMITED

and

SILVER EAGLE ACQUISITION CORP.

Dated December 31, 2014

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CONTRIBUTION AGREEMENT

This Contribution Agreement (this "Agreement") is entered into on December 31, 2014 by and between Videocon d2h Limited, a public limited company organized under the laws of the Republic of India ("Videocon d2h"), and Silver Eagle Acquisition Corp., a Delaware corporation ("SEAC").

All capitalized terms used in this Agreement shall have the meanings ascribed to such terms in Article 9 or as otherwise defined elsewhere in this Agreement unless the context clearly provides otherwise. Videocon d2h and SEAC may also be referred to collectively herein as the "Parties" and individually as a "Party."

PRELIMINARY STATEMENTS

A. SEAC is a blank check company formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses.

B. Videocon d2h is a direct-to-home service provider which distributes multiple television channels and allied video and audio services to its subscribers in India.

C. The Parties desire that SEAC contribute a substantial portion of its assets (consisting solely of cash) in exchange for such number of newly issued equity shares, face value 10 per share, of Videocon d2h (the "Shares") further described herein, upon the terms and subject to the conditions set forth in this Agreement. The Shares will be represented by ADSs, which will be issued to the SEAC Distribution Record Holders (as directed by SEAC).

D. Contemporaneously with the execution and delivery of this Agreement, Videocon d2h is submitting on a confidential basis to the SEC a draft registration statement on Form F-4 (including any subsequently submitted or filed amendments to such registration statement on Form F-4 (except to the extent specified in the introduction to Article 3), the "F-4"), including the related Proxy Statement/Prospectus, that is both the proxy statement to be distributed to holders of SEAC common stock in connection with the solicitation by SEAC of proxies for the Required SEAC Vote (as hereinafter defined) and the prospectus covering the registration of the Shares to be issued by Videocon d2h pursuant to this Agreement.

AGREEMENT

Now, therefore, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, covenants and other valuable consideration herein contained, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1

CONTRIBUTION AND ISSUANCE OF SHARES

1.1 Contribution and Issuance of Shares.

(a) In accordance with the terms and subject to the conditions of this Agreement, at the Closing, SEAC shall contribute to Videocon d2h an amount in cash in U.S. Dollars of at least \$200,850,000 (the "Contribution Amount"), and Videocon d2h shall issue, sell and deliver to the SEAC Distribution Record Holders (as directed by SEAC) in accordance with Section 1.2 of this Agreement, an aggregate number of Shares such that the SEAC Distribution Record Holders shall own, at the Closing, the relevant SEAC Distribution Record Holders Ownership Percentage of the Fully Diluted Equity Capital set out in the table attached hereto as Schedule 1.1 (which sets out the SEAC Distribution Record Holders Ownership Percentage ranging from 33.42% to 38.42% depending on the actual Contribution Amount contributed ranging from \$200.85 million to \$273.35 million) in respect of the applicable actual Contribution Amount contributed by SEAC to Videocon d2h pursuant to Section 1.2(a) of this Agreement. In the event that the actual Contribution Amount is an amount between any of the Contribution Amounts specified in the table attached hereto as Schedule 1.1, the SEAC Distribution Record Holders Ownership Percentage shall be adjusted proportionately between the related SEAC Distribution Record Holders Ownership Percentages in proportion to where the actual Contribution Amount falls between the two Contribution Amounts specified in such table.

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(b) In the event the number of Indian Rupees each U.S. Dollar buys on the last trading day before the effective date (the “Effective Date”) of the Registration Statement on Form F-4 is more than three percent (3%) higher or lower than the Indian Rupee/U.S. Dollar Exchange Rate at 12:00 Noon India time on the date hereof (the “Base Rate”), the SEAC Distribution Record Holders Ownership Percentage shall be proportionately increased in the event the Indian Rupee shall have depreciated in value (such that up to a maximum number of 10% more Shares are issued) or proportionately decreased in the event the Indian Rupee shall have appreciated in value (such that up to a maximum number of 10% less Shares are issued). In the event that the Indian Rupee/U.S. Dollar Exchange Rate either appreciates or depreciates more than 10% versus the Base Rate, either Party may terminate this Agreement or the Parties may agree to negotiate additional adjustments or renegotiate the amounts set forth in Section 1.1 hereof.

(c) The Parties agree that, at the Closing or thereafter, the Shareholders will be entitled to receive from Videocon d2h an aggregate number of newly issued additional Shares (the “Shareholder Earnout Shares”) constituting 3.88% of the expanded capital base including the shares then outstanding and these Shareholder Earnout Shares (not including the effect of any follow-on public or private offerings of Shares or ADSs after the Closing Date or issuances pursuant to any scheme or pursuant to Section 6.1(r)) (with 50% of such Shares being issued by Videocon d2h if the Initial Performance Hurdle has been satisfied and the remaining 50% if the Subsequent Performance Hurdle has been satisfied, provided, however, that such Shares would become immediately issuable upon the filing of a draft red herring prospectus with the Securities and Exchange Board of India for an initial public offering of Videocon d2h in India provided that the Parties will agree a mechanism to reflect the intent of the Initial Performance Hurdle and the Subsequent Performance Hurdle with respect to such Shares).

1.2 Payment and Delivery of Contribution Amount; Distribution of ADSs. At the Closing

(a) SEAC shall deliver the Contribution Amount to Videocon d2h by paying the Contribution Amount to Videocon d2h by wire transfer or intrabank transfer of immediately available funds to an account designated by Videocon d2h no later than the close of business on the third (3rd) Business Day prior to the Closing Date;

(b) Videocon d2h shall deliver to the Depository the Shares issued by Videocon d2h in exchange for the contribution by SEAC pursuant to Section 1.1(a) hereof, which Shares shall be registered in the name of the Depository (or its custodian) and shall be represented by ADSs to be issued by the Depository to the stockholders of SEAC as of the close of business on a date determined by the Board of Directors of SEAC (such date, the “SEAC Distribution Record Date,” and such stockholders as of the SEAC Distribution Record Date, the “SEAC Distribution Record Holders”) (as directed by SEAC) or, if required by the Depository, to transfer all such ADSs to the Distribution Agent for further transfer to the SEAC Distribution Record Holders (as directed by SEAC);

(c) Videocon d2h shall cause the Depository to issue and deliver ADSs representing the Shares in accordance with the notice provided by SEAC pursuant to Section 1.2(b) hereof (the “SEAC Distribution Record Holder ADSs”) and deliver (or credit through direct registration) ADSs evidencing the SEAC Distribution Record Holder ADSs to the SEAC Distribution Record Holders (or, if required by the Depository, to the Distribution Agent for further delivery (crediting) to the SEAC Distribution Record Holders) as soon as reasonably practicable after the Closing, but in no event later than the third (3rd) Business Day following the Closing Date.

1.3 Closing. The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place at the offices of McDermott Will & Emery LLP in New York, New York, commencing at 10:00 a.m. Eastern Time on the second (2nd) Business Day following the satisfaction or waiver of all conditions of the Parties to consummate the transactions contemplated hereby (other than conditions with respect to actions the respective Parties will take at the Closing itself) or such other date as SEAC and Videocon d2h may mutually determine (the “Closing Date”). All transactions contemplated herein to occur on and as of the Closing Date shall be deemed to have occurred simultaneously and to be effective as of 12:01 a.m. Eastern Time on such date.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF SEAC

SEAC represents and warrants to Videocon d2h that the statements contained in this [Article 2](#) are correct and complete as of the date hereof and as of the Closing Date.

2.1 [Organization of SEAC](#). SEAC is a corporation duly formed, validly existing and in good standing under the Laws of the State of Delaware.

2.2 [Authorization of Transaction](#). SEAC has full corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements to which SEAC is a party and to perform SEAC's obligations hereunder and thereunder. The execution and delivery by SEAC of this Agreement and the Ancillary Agreements to which SEAC is a party and the performance by SEAC of the transactions contemplated hereby and thereby have been duly approved by all requisite corporate action of SEAC other than with respect to the receipt of the Required SEAC Vote. Assuming the due authorization, execution and delivery of this Agreement and the Ancillary Agreements by the other parties thereto, this Agreement and each Ancillary Agreement to which SEAC is a party constitute the valid and legally binding obligation of SEAC, enforceable against SEAC in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors generally and by the availability of equitable remedies.

2.3 [Non-contravention](#). Neither the execution and the delivery of this Agreement nor the Ancillary Agreements to which SEAC is a party, nor the consummation of the transactions contemplated hereby and thereby, will (i) violate or conflict with any Law or Order to which SEAC is subject, (ii) violate any provision of the Organizational Documents of SEAC or (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any Contract to which SEAC is a party or by which it is bound or to which any of its assets is subject, excluding from the foregoing clause (i), violations and breaches, the existence of which would not, individually or in the aggregate, materially and adversely affect SEAC's ability to consummate the transactions contemplated by this Agreement or the Ancillary Agreements to which SEAC is a party and subject to the receipt of certain notices, and the Required SEAC Vote and the filing of a definitive proxy statement with the SEC in respect of the SEAC Stockholder Meeting.

2.4 [Brokers' Fees](#). SEAC does not have any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement other than Deutsche Bank AG and such other person as notified in writing by SEAC to Videocon d2h. SEAC is solely responsible for the payment of such fees and commissions.

2.5 [Litigation](#). There are no complaints, charges, Proceedings, Orders, or investigations pending or, to the Knowledge of SEAC, threatened or anticipated relating to or affecting SEAC. There is no outstanding Order to which SEAC is subject.

2.6 [F-4](#). Except as a result of any blanks specifically included in the F-4 as placeholders for information to be filled in in an amendment to the F-4, the information relating to SEAC contained in the F-4, as of the date submitted to the SEC, does not, on such date, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF VIDEOCON D2H

Videocon d2h represents and warrants to SEAC that the statements contained in this [Article 3](#) are correct and complete as of the date hereof and as of the Closing Date (it being understood that any representations or warranties that are qualified by reference to the F-4 are qualified only by the draft F-4 submitted confidentially to the SEC on the date hereof and not by any revisions or amendments thereto (unless agreed to by SEAC pursuant to [Section 4.5](#)) and, unless specifically stated in a representation or warranty, are not qualified by the risk factors or other prospective or forward-looking information contained therein).

3.1 [Organization, Qualification and Power](#). Videocon d2h is a corporation duly organized and validly existing under the laws of India and has all requisite corporate power and authority to own and operate its properties and to carry on its businesses as now conducted. Videocon d2h has made available to SEAC a complete and correct copy of its certificate of incorporation and bylaws, each as amended to date. Videocon d2h is not in violation of any of the provisions of its certificate of incorporation or bylaws. Videocon d2h has no Subsidiaries.

3.2 [Authorization of Transaction](#).

(a) Videocon d2h has full entity power, authority and legal capacity to execute and deliver the Agreement and the Ancillary Agreements to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by Videocon d2h of the Agreement and the Ancillary Agreements to which it is a party and the performance by Videocon d2h of the transactions contemplated hereby and thereby have been duly approved by all corporate requisite action of Videocon d2h. Assuming the due authorization, execution and delivery of this Agreement and the Ancillary Agreements by the other parties thereto, this Agreement and each Ancillary Agreement to which Videocon d2h is a party constitute the valid and legally binding obligation of Videocon d2h, enforceable against Videocon d2h in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors generally and by the availability of equitable remedies.

(b) The Shares, when issued and delivered against payment thereof, may be freely deposited by Videocon d2h with the Depository; the ADSs to be issued, when issued and delivered against payment thereof, will be freely transferable by Videocon d2h to or for the account of the SEAC Distribution Record Holders; and except as disclosed in the F-4 there are no restrictions on subsequent transfers of such ADSs: (i) under the laws of India or the United States or (ii) any contractual restrictions on resale.

(c) Upon issuance by the Depository of the ADRs evidencing ADSs and the deposit of Shares in respect thereof in accordance with the provisions of the Deposit Agreement, such ADSs will be duly authorized, validly issued, fully paid and non-assessable, and the persons in whose names such ADSs are registered will be entitled to the rights of registered holders of the ADSs specified therein and in the Deposit Agreement. The Deposit Agreement, when executed, will conform in all material respects to the descriptions thereof contained in the F-4.

(d) Except as disclosed in the F-4, all dividends and other distributions which may be declared and payable on the equity shares of Videocon d2h may under the current laws, rules and regulations of India be paid to the Depository, and where they are to be paid from India are freely transferred out of India. Except as disclosed in the F-4, all such dividends and other distributions will not be subject to withholding or other Taxes under the Laws of India and are otherwise free and clear of any other Tax, withholding or deduction in India and without the necessity of obtaining any Consent of any Governmental Body in India.

3.3 [Capitalization](#). All of the outstanding Videocon d2h Securities have been duly authorized, are validly issued, fully paid, and non-assessable and have been issued without violation of any preemptive right or other right to purchase. Except as disclosed in the F-4, there are no share capital or other ownership interests in Videocon d2h or outstanding securities convertible or exchangeable into share capital or other ownership interests of Videocon d2h, and there are no options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, calls, puts, rights of first refusal or other Contracts that could require Videocon d2h to issue, sell or otherwise cause to become outstanding or to acquire, repurchase or redeem

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share capital or other ownership interests in Videocon d2h. The F-4 contains a complete and correct list of the record and beneficial owners of such share capital, ownership interests, securities and options, warrants, purchase rights, subscription rights, conversion rights, exchange rights, calls, puts, rights of first refusal and other Contracts, which is true and correct as of the date hereof. There are no outstanding or authorized equity appreciation, phantom equity, profit participation or similar rights with respect to Videocon d2h. There are no voting trusts, proxies or other Contracts with respect to the voting of the share capital or other ownership interests of Videocon d2h. Upon the Closing, the Shares and ADSs (other than any ADSs to which restrictions apply under securities laws or contractual obligations applicable to the holders of the ADSs) will be delivered by Videocon d2h and the Depositary free and clear of all Liens or other adverse claims and the Shares and ADSs will be duly authorized, validly issued, fully paid and non-assessable and issued without violation of any preemptive right or other right to purchase.

3.4 Non-contravention. Neither the execution and the delivery of this Agreement nor the Ancillary Agreements to which Videocon d2h is a party, nor the consummation of the transactions contemplated hereby or thereby, will (i) violate any Law or Order to which Videocon d2h is subject, (ii) violate any provision of its Organizational Documents, or (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice, consent or payment under any Contract or Permit to which Videocon d2h is a party or by which it is bound or to which any of its assets is subject (or result in the imposition of any Lien (other than Permitted Liens upon any of its assets), except: (A) in the case of the matters described in clause (i), such violations or other consequences as would not give rise to a Material Adverse Effect and (B) in the case of the matters described in clause (ii), such violations or other consequences as would not reasonably give rise to losses, liabilities or other costs in excess of an aggregate of \$1.0 million and subject to in each case the receipt of certain notices, approvals and consents from the Ministry of Information and Broadcasting and Videocon d2h's lenders as on September 30, 2014 (under loan agreements specified on Section 3.13(a) of the Disclosure Schedule) and the effectiveness of the registration statement on Form F-4.

3.5 Brokers' Fees. Videocon d2h does not have any liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

3.6 Assets.

(a) Videocon d2h has good and valid title to, or a valid leasehold interest or license in, the properties and assets (tangible and intangible) used by them, located on its premises or shown on the F-4 or acquired after the date thereof, free and clear of all Liens, except for Liens arising pursuant to any Indebtedness of Videocon d2h as set forth on Section 3.13(a) of the Disclosure Schedule or in the F-4, Permitted Liens and other minor defects of title or other interests as would not, individually or in the aggregate, give rise to a Material Adverse Effect. Such properties and assets are all the properties and assets necessary to operate the business of Videocon d2h as presently conducted.

(b) The material, buildings, machinery, equipment and other tangible assets that Videocon d2h owns and leases, other than Consumer Premises Equipment, are free from visible material defects, have been maintained in accordance with normal industry practice, are in good operating condition and repair (subject to normal wear and tear) and are suitable for the purposes for which they are presently used.

3.7 Financial Statements; Indebtedness; Interim Conduct.

(a) The audited balance sheets, statements of income, shareholders' equity and cash flows as of and for the fiscal years ended March 31, 2013 and March 31, 2014 (the "Annual Financial Statements") included in the F-4 are, and the unaudited balance sheets, statements of income, shareholders' equity and cash flows (the "Interim Financial Statements" and together with the Annual Financial Statements, the "Financial Statements") as of and for the six (6) month period ended September 30, 2014, will be, when included in the F-4, correct and complete and consistent with the books and records of Videocon d2h (which are in turn correct and complete), have been prepared in accordance with IFRS consistently applied, and present fairly in all material respects the financial condition, results of operation, changes in equity and cash flow of Videocon d2h as of and for their respective dates and for the periods then ended; provided, however, that the Interim

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Financial Statements (i) are subject to normal, recurring year-end adjustments consistent with prior years, none of which are expected to be material and (ii) do not contain all footnotes or other presentation materials required by IFRS.

(b) Videocon d2h maintains accounting controls and systems which are sufficient to provide reasonable assurances that (i) all transactions are executed in accordance with management's general or specific authorization, (ii) all transactions are recorded as necessary to permit the accurate preparation of financial statements in conformity with generally accepted accounting principles and to maintain proper accountability for items, (iii) access to their property and assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for items is compared with the actual levels at reasonable intervals and appropriate action is taken with respect to any differences.

(c) Videocon d2h's outstanding Net Debt was an amount equal to INR 27,385.12 million as of March 31, 2014 and INR 27,803.78 million as of September 30, 2014.

(d) Other than as set forth in the F-4, the outsourcing of Videocon d2h's installation and aftersales support function and the appointment of a super distributor for the sale of recharges, since March 31, 2014, the business of Videocon d2h has been conducted in the Ordinary Course of Business consistent with past practice and no Material Adverse Change has occurred.

(e) Videocon d2h has provided SEAC with its budget for the fiscal year ending March 31, 2015 (the "2015 Budget"), which budget was prepared by Videocon d2h in good faith and based on reasonable assumptions.

(f) Videocon d2h has provided SEAC with its general outlook for the fiscal year ending March 31, 2016, which was prepared by Videocon d2h in good faith and based on reasonable assumptions.

3.8 Undisclosed Liabilities. Except as set forth in the F-4, there is no liability, commitment or obligation of Videocon d2h (whether matured or unmatured, absolute or contingent, whether or not accrued) that would be required by IFRS to be reflected on a balance sheet of Videocon d2h (or described in the notes thereto), other than (i) liabilities or obligations reflected, accrued or reserved against in the audited balance sheet of Videocon d2h as of March 31, 2014, (ii) liabilities incurred since March 31, 2014 in the Ordinary Course of Business consistent with past practice and Videocon d2h's business plan or (iii) liabilities or obligations in an amount that does not exceed in the aggregate \$5.0 million.

3.9 Legal Compliance.

(a) Videocon d2h has complied and is in compliance with all applicable Laws and Orders to which it is subject except as set out in the F-4 (including under the section "Risk Factors") and for any non-compliance which would not have a Material Adverse Effect, and no Proceeding has been filed or commenced or, to the Knowledge of Videocon d2h, threatened alleging any failure so to comply. Except as set out in the F-4 (including under the section "Risk Factors"), since March 31, 2014, Videocon d2h has not received any notice or communication alleging any non-compliance of the foregoing, that, if made the subject of a Proceeding against Videocon d2h and adversely determined, would have a Material Adverse Effect.

(b) Videocon d2h has all the Permits necessary for the operation of the business of Videocon d2h and all such Permits are in full force and effect, except where the failure to possess such Permits would not, individually or in the aggregate have a Material Adverse Effect. No Proceeding is pending or, to the Knowledge of Videocon d2h, threatened to revoke or limit any Permit that would have a Material Adverse Effect.

(c) Neither Videocon d2h, nor any of its officers, managers, directors, agents, employees or any other Persons acting on its behalf, has acted in contravention of the (Indian) Prevention of Corruption Act, 1988, or any other anti-corruption or anti-bribery Law applicable to Videocon d2h in India.

3.10 Tax Matters.

(a) Except as set out in the F-4 and except as has not had and will not have a Material Adverse Effect, Videocon d2h (i) has duly and timely filed, or have caused to be duly and timely filed, all Tax Returns required to be filed by it (taking into account any extension of time within which to file) and all such Tax

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Returns are complete and accurate in all respects and were prepared in compliance with all applicable Laws; and (ii) has paid all Taxes that are required to be paid (whether or not shown on any Tax Return) or that Videocon d2h is obligated to deduct or withhold from amounts owing to any employee, creditor or other third party, except with respect to matters contested in good faith through appropriate proceedings or for which adequate reserves have been established through provisions or contingencies on Videocon d2h's current balance sheet.

(b) Except as set out in the F-4 and except as has not had or would not have a Material Adverse Effect, there are no audits, examinations, investigations, deficiencies, claims or other proceedings in respect of Taxes or Tax matters pending or threatened in writing to Videocon d2h.

(c) Except as set out in the F-4, and except as has not had and will not have a Material Adverse Effect, adequate reserves or accruals have been established or appropriate contingent liability disclosed in the notes of the Financial Statements to provide for the payment of all Taxes which are not yet due and payable with respect to Videocon d2h.

(d) Except as set out in the F-4 and except as has not had or would not have a Material Adverse Effect, no claim has ever been made by any taxing authority in a jurisdiction where Videocon d2h does not file Tax Returns that it is or may be subject to taxation by that jurisdiction.

(e) Except for agreements in the Ordinary Course of Business with foreign vendor that include provisions for the grossing up of payments thereunder for taxes, Videocon d2h is not a party to any Tax allocation, sharing, indemnity, or reimbursement agreement or arrangement, and is not liable for the Taxes of any other Person as a transferee or successor, by Contract or otherwise except as may be required by applicable law.

(f) Videocon d2h (i) is not a "controlled foreign corporation" as defined in Section 957 of the Code and (ii) does not have a permanent establishment (within the meaning of an applicable Tax treaty) or otherwise have an office or fixed place of business in a country other than the country in which it is organized.

(g) Videocon d2h is not a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code.

(h) Videocon d2h has not waived any statute of limitations in respect of Taxes or agreed to any extension of time, except extensions as permissible under Law, with respect to the payment of any Tax or any Tax assessment or deficiency.

(i) As of March 31, 2014 Videocon d2h was not a "passive foreign investment company" within the meaning of Section 1297 of the Code.

3.11 Real Property. Subject to the respective terms and conditions in the Leases, Videocon d2h is the sole legal and equitable owner of the leasehold interest in the premises at Greater Noida where its digital broadcast center is situated, free and clear of all Liens (other than except for Liens arising pursuant to any Indebtedness of Videocon d2h and Permitted Liens).

3.12 Intellectual Property.

(a) Except as has not had and would not have, either individually or in the aggregate, a Material Adverse Effect, Videocon d2h owns, or is licensed or otherwise possesses legally enforceable rights to use, subject to any existing licenses or other grants of rights to third parties, all Intellectual Property used in its business as currently conducted (collectively, the "Videocon d2h Intellectual Property").

(b) Except as has not had and would not have a Material Adverse Effect: (i) there are no pending or, to the Knowledge of Videocon d2h, threatened claims by any Person alleging infringement of any Intellectual Property rights of any Person by Videocon d2h, (ii) to the Knowledge of Videocon d2h, the conduct of the business of Videocon d2h does not infringe any Intellectual Property rights of any Person, (iii) to the Knowledge of Videocon d2h, Videocon d2h has not made any claim of a violation or infringement by others of its rights to or in connection with the Videocon d2h Intellectual Property, (iv) to the Knowledge of Videocon d2h, no Person is infringing any Videocon d2h Intellectual Property and (v) to the Knowledge of Videocon d2h, there are no ongoing interferences, oppositions, reissues, or reexaminations or other inter partes

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proceedings which could reasonably be expected to result in a loss or limitation of a patent right or claim involving any Videocon d2h Intellectual Property.

(c) Except as has not had and would not have a Material Adverse Effect, to the Knowledge of Videocon d2h, all Intellectual Property owned by Videocon d2h is valid and enforceable and in full force and effect.

3.13 Contracts.

(a) Section 3.13(a) of the Disclosure Schedule contains a complete and correct list of the Contracts to which Videocon d2h is a party and which are in the following categories:

- i. License and regulatory;
- ii. Satellite capacity;
- iii. Content (limited to the top 5 by annual contract value);
- iv. Vendor (limited to the top 5 by annual contract value for expenses and the top 3 by annual contract value for purchase);
- v. Outsourced partner (limited to the top 3 by annual contract value); and
- vi. Indebtedness as on September 30, 2014 (other than (a) letters of credit issued, bank guarantees, bill discounting facility and small & medium enterprises vendor bill discounting facility aggregating a total limit of INR 2,350 million; and (b) short term unsecured loan from Videocon Industries Limited of INR 2,250 million).

(b) Videocon d2h has provided SEAC with access to, or a description that is accurate in all material respects and that fairly summarizes and does not omit any material information regarding the contents of, a correct and complete copy of each written Material Contract, together with all amendments, exhibits, attachments, waivers or other changes thereto.

(c) All descriptions of Contracts or other material documents in the F-4 (the “F-4 Contracts”) are accurate in all material respects, fairly summarize the contents of such F-4 Contracts and do not omit any material information which affects the import of such descriptions. There are no contracts or documents that would be required to be described in the F-4 under the Securities Act or filed as an exhibit to the F-4 that have not been so described or filed (or, in the case of any contracts or documents required to be filed as an Exhibit to the F-4 but not being filed contemporaneously with the execution and delivery of this Agreement, listed as an Exhibit to the F-4 and anticipated to be filed by Videocon d2h prior to requesting acceleration of effectiveness of the F-4). Except as set forth in the F-4, since the date of the latest Annual Financial Statements in the F-4, Videocon d2h has not (other than the outsourcing of Videocon d2h’s installation and aftersales support function and the appointment of a super distributor for the sale of recharges) (A) entered into or assumed any material Contract, (B) acquired or disposed of, or agreed to acquire or dispose of, any business or any other asset material to Videocon d2h, or (C) entered into a letter of intent or memorandum of understanding (or announced an intention to do so) relating to any matters identified in clauses (A) or (B) above.

(d) Each Material Contract and other F-4 Contract is legal, valid, binding, enforceable, in full force and effect and will continue to be legal, valid, binding and enforceable on substantially identical terms following the Closing Date. Except as specifically disclosed and described in Section 3.13(d) of the Disclosure Schedule or the F-4 (including under the section “Risk Factors”) or except as has not had and will not have a Material Adverse Effect, (i) no Material Contract or other F-4 Contract has been breached or canceled by Videocon d2h, or, to the Knowledge of Videocon d2h, any other party thereto, (ii) Videocon d2h has performed all obligations under such Material Contracts or other F-4 Contracts required to be performed by Videocon d2h, (iii) there is no event which, upon giving of notice or lapse of time or both, would constitute a breach or default under any such Material Contract or other F-4 Contract that would permit the termination of such Material Contract or other F-4 Contract by a counterparty or accelerate any material payments to be made by Videocon d2h thereunder, and (iv) Videocon d2h has not assigned, delegated or otherwise transferred to any Person any of its rights, title or interest under any such Material Contract or other F-4 Contract.

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3.14 Insurance. Videocon d2h is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are appropriate for its business in which it is engaged, and Videocon d2h has no reason to believe that it will be unable to renew its existing insurance coverage as and when such coverage expires or obtain similar coverage as may be necessary to continue its business at a cost that would not result in a Material Adverse Effect. Except as disclosed in the F-4, the insurance policies maintained by Videocon d2h are in full force and effect and Videocon d2h is in compliance with the terms of such policies.

3.15 Litigation. Except as set forth in the F-4 (including under the section “Risk Factors”), there are no material Proceedings, Orders, or investigations pending or, to the Knowledge of Videocon d2h, threatened or anticipated relating to or affecting Videocon d2h. There is no outstanding Order to which Videocon d2h is subject.

3.16 Employees. Videocon d2h is not a party to or bound by any collective bargaining or other agreement with a labor union and, to Videocon d2h’s Knowledge, no petition has been filed or Proceedings instituted by any employee or group of employees of Videocon d2h with any labor relations board seeking recognition of a bargaining representative. To Videocon d2h’s Knowledge, there is no organizational effort currently being made or threatened by or on behalf of any labor union to organize any employees of Videocon d2h. There is no labor strike, picketing, slowdown, lockout, employee grievance process or other work stoppage or labor dispute pending or, to Videocon d2h’s Knowledge, threatened between Videocon d2h, on the one hand, and any of its employees, on the other hand, and except for such disputes with individual employees arising in the Ordinary Course of Business. Videocon d2h is in compliance in all material respects with all applicable Laws pertaining to the employment of their employees, including all such Laws relating to fair employment practices, equal employment opportunities, prohibited discrimination and other similar employment activities.

3.17 Employee Benefits. Videocon d2h has made available to SEAC correct and complete copies of the plan documents and summary plan descriptions, all related trust agreements, insurance Contracts, and other funding arrangements which implement each such Employee Benefit Plan. All descriptions of Employee Benefit Plans are accurate in all material respects, fairly summarize the contents of such Employee Benefit Plan and do not omit any material information which affects the import of such descriptions. Except as otherwise described in the F-4, Videocon d2h does not maintain or contribute to and does not have any obligation to contribute to or have any material liabilities to any Employee Benefit Plan other than an employment gratuity plan and grant encashment plan. Each such Employee Benefit Plan (and each related trust, insurance Contract, or fund) has been maintained, funded and administered in accordance with the terms of such Employee Benefit Plan and complies in form and in operation in all material respects with the applicable requirements of applicable Laws. All required reports and descriptions have been timely filed and/or distributed in accordance with the applicable requirements of applicable Laws with respect to each such Employee Benefit Plan.

3.18 Environmental, Health, and Safety Matters.

(a) Videocon d2h has complied and is in compliance, in each case in all material respects, with all Environmental, Health, and Safety Requirements.

(b) Without limiting the generality of the foregoing, Videocon d2h has obtained, has complied, and is in compliance with all Permits and other authorizations that are required pursuant to Environmental, Health, and Safety Requirements for the occupation of the facilities of Videocon d2h and the operation of the business of Videocon d2h, except for any Permits or other authorizations the non-possession of which would not give rise to a Material Adverse Effect.

(c) Videocon d2h has not received any written or oral notice, report or other information regarding any actual or alleged violation of Environmental, Health, and Safety Requirements, or any liabilities or potential liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), including any investigatory, remedial or corrective obligations, relating to it, its current or former facilities or the Leased Real Property arising under Environmental, Health, and Safety Requirements.

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3.19 Business Continuity. None of the Software, computer hardware (whether general or special purpose), telecommunications capabilities (including all voice, data and video networks) and other similar or related items of automated, computerized, and/or software systems and any other networks or systems and related services that are used by or relied on by Videocon d2h in the conduct of their businesses (collectively, the “Systems”) have experienced bugs, failures, breakdowns, or continued substandard performance in the past twelve (12) months that has caused or reasonably could be expected to cause any substantial disruption or interruption in or to the use of any such Systems by Videocon d2h, that has or would give rise to a Material Adverse Effect.

3.20 Certain Business Relationships with Videocon d2h. Except as set forth in the F-4, there are no “related party transactions” (as defined in IFRS and as such term is defined or interpreted for purposes of disclosure requirements for the Form F-4) involving Videocon d2h and the Shareholders, or any officer, manager, partner or director of Videocon d2h, or any of the Affiliates of any of the foregoing, and all such transactions disclosed in the F-4 are on arms’ length terms.

3.21 Restrictions on Business Activities. Except as set out in the F-4 and the restrictions contained in the DTH License Agreement listed in Schedule 3.13(a) of the Disclosure Schedule pursuant to which Videocon d2h is not permitted to hold more than 20% equity shares in any broadcasting and/or cable network company, at any time during the license period stated therein, there is no Contract or other instrument which restricts or prohibits Videocon d2h from competing with any other Person, from engaging in any business or from conducting activities, or which otherwise restricts or prohibits the conduct of the business of Videocon d2h.

3.22 Regulatory Matters. Videocon d2h does not have any operations in the United States of America or any assets located in, or revenues derived from sales to, the United States of America. Videocon d2h acknowledges that SEAC is relying on the foregoing representation in not making a filing under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and any applicable rules and regulations thereunder.

3.23 F-4. Except as a result of any blanks specifically included in the F-4 as placeholders for information to be filled in in an amendment to the F-4, the information relating to Videocon d2h contained in the F-4, as of the date submitted to the SEC, does not, on such date, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading.

3.24 Investment Company. Videocon d2h is not and, after giving effect to the transactions contemplated by this Agreement, will not be an “investment company” as defined in the United States Investment Company Act of 1940, as amended. Videocon d2h is not and, after giving effect to the transactions contemplated by this Agreement, will not be an “ineligible issuer,” as defined in Rule 405 of the Securities Act.

ARTICLE 4

PRE-CLOSING COVENANTS

The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing.

4.1 General. Each of the Parties will use all commercially reasonable efforts to take all action and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement (including satisfaction, but not waiver, of the closing conditions set forth in Article 6 below).

4.2 Notices and Consents.

(a) Each of the Parties shall use all commercially reasonable efforts to (i) comply with procedures required by the Ministry of Information and Broadcasting for issuance of equity in Videocon d2h and all procedures relating to security clearance of the persons specified under the Consolidated FDI Policy (effective from April 17, 2014 and as amended from time to time), including the directors of Videocon d2h listed in Section 6.1(k) and any of their alternate directors, (ii) obtain from any other Governmental Body any other

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Consents or Permits required to be obtained or made by SEAC or Videocon d2h, or to avoid any action or proceeding by any Governmental Body, in connection with the authorization, execution and delivery of this Agreement and the consummation of the transactions contemplated herein, and (iii) promptly as practicable make all necessary filings, and thereafter make any other required submissions, with respect to this Agreement required under any applicable Law; including any antitrust Laws; provided, however, that the Parties shall cooperate with each other in connection with the making of all such filings, including providing copies of all such non-proprietary documents to the non-filing Party and its advisors prior to filing and, if requested, to accept all reasonable additions, deletions or changes suggested in connection therewith; provided, further, that nothing in this Section 4.2(a) shall require SEAC or any of its Affiliates to (1) agree to the requirement of expenditure of money by SEAC to a third party in exchange for any Consent or (2) litigate, pursue or defend against any Proceeding (including any temporary restraining order or preliminary injunction) challenging the transactions contemplated by this Agreement as violative of any applicable antitrust Law. Further, nothing in this Section 4.2 shall require Videocon d2h to litigate, pursue or defend against any Proceeding (including any temporary restraining order or preliminary injunction) challenging the transactions contemplated by this Agreement as violative of any applicable antitrust Law or to sell or dispose of any material asset of Videocon d2h as a result of any such alleged violation. SEAC and Videocon d2h shall promptly furnish to each other all information required for any application or other filing to be made by the other pursuant to the rules and regulations of any applicable Law in connection with the transactions contemplated by this Agreement. Except as specifically required by this Agreement, the Parties shall not knowingly take any action, or knowingly refrain from taking any action, the effect of which would be to delay or impede the ability of the Parties to consummate the transactions contemplated by this Agreement.

(b) As promptly as practicable after the date hereof, Videocon d2h shall solicit the Consents required by Videocon d2h in connection with the transactions contemplated this Agreement from the Ministry of Information and Broadcasting and lenders of Videocon d2h. Videocon d2h shall use its reasonable best efforts and SEAC will cooperate in all reasonable respects with Videocon d2h, to obtain all such Consents prior to the Closing.

4.3 Operation of Business. Until the Closing, except as otherwise set forth in this Agreement or the F-4 or as otherwise consented to by SEAC (which consent shall not be unreasonably withheld, conditioned or delayed), Videocon d2h will conduct its business in the Ordinary Course of Business and use its commercially reasonable efforts to keep available the services of its employees and to preserve its relationships with its customers and others doing business with it. Without limiting the generality of the foregoing, until the Closing, except as otherwise set forth in this Agreement or the F-4 or as otherwise consented to by SEAC (which consent shall not be unreasonably withheld, conditioned or delayed), Videocon d2h will not:

(a) amend its articles of incorporation or bylaws in a manner that could be expected to delay or otherwise interfere with the consummation of the transactions contemplated by this Agreement;

(b) issue, sell or pledge additional shares of its capital stock or securities convertible into any such shares, or any options, warrants or rights to acquire any such shares or other convertible securities;

(c) purchase, redeem or otherwise acquire any outstanding shares of its capital stock;

(d) declare, set aside or pay any dividend or other distribution in respect of its capital stock;

(e) incur any Indebtedness for borrowed money other than in the Ordinary Course of Business;

(f) terminate or materially and adversely amend any Material Contract;

(g) waive or release any right or claim of a material value to Videocon d2h other than in the ordinary course of business;

(h) sell, lease or license, or permit any material encumbrance on, any material portion of its assets other than in the Ordinary Course of Business (including providing purchase money security interests);

(i) acquire, by merger or consolidation with, or by purchase of all or a substantial portion of the assets or stock or, or by any other manner, any business or entity, or enter into any joint venture, partnership or other similar arrangement for the conduct of its business;

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(j) take any action outside of the Ordinary Course of Business that causes Videocon d2h to deviate from the 2015 Budget in any material respect;

(k) enter into any transaction with any Shareholder, or any Affiliate of Videocon d2h or any Shareholder, other than in the Ordinary Course of Business consistent with the items set out in the F-4; or

(l) agree in writing to take any of the foregoing actions.

4.4 Access and Cooperation. Videocon d2h will, (a) permit SEAC and its representatives to have access during normal business hours to all key personnel, books, properties, customers, suppliers, records, Contracts, documents and data of Videocon d2h, and (b) make available to SEAC and its representatives for review copies of all such books, records, Tax Returns, Contracts, documents, data and information as SEAC may reasonably request; provided, however, that such investigations and inquiries by or on behalf of SEAC do not unreasonably interfere with normal operations or customer or employee relations; and provided further that SEAC shall agree in writing with Videocon d2h for itself and its representatives to hold and not disclose any information provided to it by Videocon d2h in strict confidence in accordance with the confidentiality agreement previously entered into between SEAC and Videocon d2h.

4.5 Notice of Developments. If Videocon d2h becomes aware prior to Closing of any event, fact or condition or nonoccurrence of any event, fact or condition that may constitute a breach of any representation, warranty, covenant or agreement of Videocon d2h or may constitute a breach of any representation or warranty of Videocon d2h if such representation or warranty were made on the date of the occurrence or discovery of such event, fact or condition or on the Closing Date, then Videocon d2h will promptly provide SEAC with a written description of such fact or condition. From the date of this Agreement until the Closing, Videocon d2h shall have the continuing obligation to promptly supplement the information contained in the F-4 and the Disclosure Schedule with respect to any matter hereafter arising or discovered, which, if in existence on the date hereof and known at the date of this Agreement, would have been required to be set forth or described in this Agreement, the F-4 or the Disclosure Schedule. If any such supplementation of this Agreement, the F-4 or the Disclosure Schedule pursuant to the obligation in this Section 4.5 occurs and Videocon d2h provides SEAC with written notice thereof or any disclosure after the date hereof of the untruth of any representation or warranty made in this Agreement is made pursuant to written notice delivered by Videocon d2h to SEAC, SEAC shall have the option of either (A) terminating this Agreement by delivering a written notice to Videocon d2h, (B) accepting such supplemented Agreement, F-4 and/or additional disclosure, as applicable, by delivering a written notice to Videocon d2h in which event such supplementation and/or additional disclosure shall operate as a cure of the failure to disclose the information, or a cure of the breach of any representation or warranty made herein (and all such supplementation and/or additional disclosure accepted by SEAC would be exceptions to the representations and warranties for the purpose of Article 7), or (C) negotiating and entering into with Videocon d2h an amendment to this Agreement acceptable to SEAC and Videocon d2h on such terms as they may agree including, inter alia, terms addressing the impact of any amendments, updates or supplements of disclosure documents or schedules on the determination of any liability for breach of representations or warranties either at signing or at Closing.

4.6 Bringdown and Update.

(a) On the day on which SEAC publicly announces the Record Date, or such other date as agreed to in writing by the Parties, Videocon d2h shall confirm in writing to SEAC that, as of such date, after taking into account its actual results for the portion of its fiscal year ending March 31, 2015 elapsed as of such date, it believes in good faith: (i) that there will be no material deviations from the year-end targets in the 2015 Budget for: (A) the number of active subscribers, (B) EBITDA or (C) Net Debt and (ii) there is no material change of Videocon d2h's opinion on the outlook for the fiscal year ending March 31, 2016, and provide SEAC with financial and other information, including updated management accounts, which reasonably support such beliefs described in clauses (i) and (ii).

(b) In the event Videocon d2h does not so confirm or provide such information, SEAC shall have the option, exercisable within thirty (30) days of the day on which SEAC publicly announces the Record Date (or such later date on which the parties have agreed to in writing to allow Videocon d2h to deliver the foregoing written confirmation) of either (A) terminating this Agreement by delivering a notice to Videocon d2h,

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(B) proceeding with the transactions contemplated by this Agreement under the terms of this Agreement or (C) negotiating and entering into with Videocon d2h an amendment to this Agreement acceptable to SEAC and Videocon d2h.

(c) If, on or prior to the day on which SEAC publicly announces the Record Date, or such other date as agreed to in writing by the Parties, Videocon d2h provides SEAC with documentary evidence that there has been implementation of a change in Indian Law that is final, or a non-appealable decision in a Proceeding, on the rates or calculations of any license fees and/or Taxes payable to the Government of India in respect of goods and services, the Parties shall then negotiate an amendment to this Agreement acceptable to SEAC and Videocon d2h in good faith, provided there is a material change in the overall profitability of, or investor outlook for, the industry in which Videocon d2h operates in India due to such change in law, which amendment shall (x) solely relate to the valuation of Videocon d2h and (y) reflect solely the effect of such change of such Indian Law on the valuation of Videocon d2h and its industry in general and not reflect any other change or event which may have occurred.

4.7 Exclusivity.

(a) Videocon d2h agrees that it will not, and will cause its respective directors, officers, managers, members, employees, agents, consultants, lenders, financing sources, advisors or other representatives, including legal counsel, accountants and financial advisors, not to, directly or indirectly (i) solicit, initiate or encourage any inquiry, proposal, offer or contact from any Person (other than SEAC and its Affiliates and representatives) relating to any transaction involving (A) the sale of any share capital or other ownership interest or any assets (other than the sale of inventory in the Ordinary Course of Business), (B) any acquisition, divestiture, merger, share or unit exchange, consolidation, redemption, financing or similar transaction involving Videocon d2h or (C) any similar transaction or business combination involving Videocon d2h (in each case, a "Videocon d2h Acquisition Proposal"), or (ii) participate in any discussion or negotiation regarding, or furnish any information with respect to, or assist or facilitate in any manner, any Videocon d2h Acquisition Proposal or any attempt to make a Videocon d2h Acquisition Proposal. Videocon d2h shall immediately cease, and cause to be terminated, any and all contacts, discussions and negotiations with third parties regarding any of the foregoing. Further, Videocon d2h agrees that it will not, and will cause each of its respective directors, officers, managers, members, employees, agents, consultants, lenders, financing sources, advisors or other representatives, including legal counsel, accountants and financial advisors, not to, directly or indirectly participate in any discussion or negotiation regarding, or furnish any information with respect to, or assist or facilitate in any manner any public or private offering or sale of a material amount of Videocon d2h's securities or derivatives thereof or any other potential transaction that would delay or prevent the consummation of the transactions contemplated by this Agreement or the Ancillary Agreements, or require any alteration to, or affect, the contemplated terms of the transactions contemplated by this Agreement or the Ancillary Agreements, or otherwise make, implement or consummate any of the foregoing transactions. Notwithstanding the foregoing, Videocon d2h and its shareholders may (z) communicate with the Securities and Exchange Board of India in relation to Videocon d2h's domestic IPO prospectus but not launch the domestic IPO pursuant to the filings with Securities and Exchange Board of India and (y) continue any preliminary inbound discussions regarding domestic consolidations opportunities with Indian DTH operators provided that such discussions are so restricted or limited as to not require a disclosure of those opportunities or discussions in any publicly available SEC filing.

(b) SEAC agrees that it will not, and will cause its respective directors and officers not to, directly or indirectly (i) solicit, initiate or encourage any proposal or offer from any Person (other than Videocon d2h and its Affiliates and representatives) relating to any transaction involving (A) the purchase of any share capital or other ownership interest or any assets, (B) any acquisition, merger, share or unit exchange, consolidation or similar transaction not involving Videocon d2h or (C) any similar transaction or business combination not involving Videocon d2h (in each case, a "SEAC Acquisition Proposal"), or (ii) enter into negotiations or execute any term sheets that would require disclosure by SEAC to the SEC, with respect to a SEAC Acquisition Proposal. Further, SEAC agrees that it will not, and will cause each of its respective directors and officers not to, directly or indirectly enter into negotiations regarding another potential transaction that would delay or prevent the consummation of the transactions contemplated by this Agreement or the Ancillary

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Agreements, or require any alteration to, or affect, the contemplated terms of the transactions contemplated by this Agreement or the Ancillary Agreements, or otherwise make, implement or consummate any of the foregoing transactions.

(c) The provisions of Sections 4.7(a) and (b) shall not apply or be effective after March 31, 2015 (the “Exclusivity End Date”) and, accordingly, the exclusivity provided thereby shall terminate; provided, however, that the Exclusivity End Date shall be extended to the date that is forty-five (45) days after the Effective Date if the Effective Date occurs between March 1, 2015 and March 31, 2015.

4.8 Interim Financial Statements. Videocon d2h shall use commercially reasonable efforts to provide to SEAC the Interim Financial Statements meeting SEC requirements for inclusion in the F-4 as soon as possible following the date hereof.

4.9 SEC Filings. SEAC and Videocon d2h shall promptly prepare, and Videocon d2h shall as promptly as practicable file with the SEC the F-4 (in which the Proxy Statement will be included) and the 8-A12(b) which shall comply as to form, in all material respects, with the applicable provisions of the Securities Act and the Securities Exchange Act and which F-4, 8-A12(b) and Proxy Statement shall be in form and substance reasonably satisfactory to SEAC and Videocon d2h prior to filing. Each of SEAC and Videocon d2h shall use their reasonable best efforts to have the F-4 and 8-A12(b) declared effective under the Securities Act and the Securities Exchange Act, respectively, as promptly as practicable after such filing, and SEAC shall thereafter file and mail or deliver the Proxy Statement to its stockholders. Videocon d2h shall also use its reasonable best efforts to ensure that the Depositary prepares and files with the SEC the F-6 in such form as complies, in all material respects, with the applicable provision of the Securities Act and which shall be in form and substance reasonably satisfactory to SEAC and Videocon d2h prior to filing. Videocon d2h shall use its reasonable best efforts to ensure the F-6 is declared effective under the Securities Act prior to the Closing Date. No amendment or supplement to the Proxy Statement or the Registration Statements will be made by SEAC or Videocon d2h without the approval of the other party (such approval not to be unreasonably withheld or delayed). SEAC and Videocon d2h each will advise the other, promptly after they receive notice thereof, of the respective times when the Registration Statements have become effective or any supplement or amendment has been filed, of the issuance of any stop order, of the suspension of the qualification of ADSs issuable hereunder for offering or sale in any jurisdiction, or of any request by the SEC for amendment of the Proxy Statement or the Registration Statements or comments thereon and responses thereto or requests by the SEC for additional information. Videocon d2h acknowledges that a substantial portion of the Proxy Statement and certain other forms, reports and other filings required to be made by SEAC under the Securities Exchange Act in connection with the transactions contemplated hereby (collectively, “Additional SEAC Filings”) shall include disclosure regarding Videocon d2h and its management, operations and financial condition. SEAC likewise acknowledges that a substantial portion of the F-4 shall include disclosure regarding SEAC, the rights of the holders of SEAC shares, and SEAC’s management, operations and financial condition. Accordingly, Videocon d2h agrees to promptly provide SEAC with all information concerning Videocon d2h, its management, operations and financial condition, in each case, required to be included in the Proxy Statement and Additional SEAC Filings or as otherwise requested by SEAC, and SEAC agrees to promptly provide Videocon d2h with all information concerning SEAC, its management, operations and financial condition, in each case, required to be included in the prospectus or as otherwise requested by Videocon d2h. Videocon d2h and SEAC shall each make their respective managers, directors, officers and employees available to the other and the other party’s counsel in connection with the drafting of the Proxy Statement and the F-4 and responding in a timely manner to comments on the Proxy Statement and the F-4 from the SEC. If, at any time prior to the Closing, any event or circumstance relating to Videocon d2h or SEAC, or their respective officers or directors, should be discovered by Videocon d2h or SEAC, as the case may be which should be set forth in an amendment or a supplement to the F-4 or Proxy Statement, Videocon d2h or SEAC shall promptly inform the other, and the parties shall cooperate reasonably in connection with preparing and disseminating any such required amendment or supplement. Prior to the Closing, Videocon d2h shall use its reasonable best efforts to qualify the ADSs under applicable state securities and “blue sky” laws of such jurisdictions that may be required. Neither (i) the information relating to Videocon d2h to be contained in the Proxy Statement, the F-4, the 8-A12(b), the Additional SEAC Filings and any supplements thereto, and the information relating to Videocon d2h that is provided by Videocon d2h and its representatives for inclusion in any other document

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filed with any other regulatory agency in connection herewith, nor (ii) the information relating to SEAC to be contained in the F-4 and any supplements thereto, and the information relating to SEAC that is provided by SEAC and its representatives for inclusion in any other document filed with any other regulatory agency in connection herewith, shall not at (i) the time each of the F-4 and 8-A12(b) is declared effective, (ii) the time the Proxy Statement (or any amendment thereof or supplement thereto) is first mailed to the stockholders of SEAC, (iii) the time of the SEAC Stockholder Meeting, or (iv) the Closing contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading.

4.10 Investor Presentations. Each of SEAC and Videocon d2h shall use its reasonable best efforts to cause its respective officers, employees, and advisors, including legal and accounting advisors, to provide to the other all cooperation, on a timely basis, reasonably requested that is reasonably necessary and customary in connection with preparation of investor presentations related to the transactions contemplated by this Agreement and to be available on a reasonable and customary basis for meetings, including management and other presentations and “road show” appearances.

4.11 Listing of ADSs. Videocon d2h will use its reasonable best efforts to cause the ADSs to be approved for listing on the NASDAQ Stock Market, subject to official notice of issuance, prior to the Closing Date.

4.12 Required SEAC Vote. SEAC and its executive officers (in their capacities as officers and not in their capacities as shareholders) shall use their reasonable best efforts to ensure that the Required SEAC Vote results in an outcome that approves and authorizes the transactions contemplated by this Agreement.

4.13 Board Composition. The Parties shall take all actions necessary so that, as of the Closing, the Board of Directors of Videocon d2h shall consist of the following directors: Saurabh Pradipkumar Dhoot, Shivratn Jeetmal Taparia, Pradeep Ramwilas Rathi, Nabankur Gupta, Karunchandra Srivastava, Harry E. Sloan and Jeff Sagansky. The persons listed on Schedule 4.13 shall be alternate directors for Mr. Sloan and Mr. Sagansky, to the extent permitted by Indian law. The parties agree that each director or alternate director shall meet all applicable India, SEC and Nasdaq Stock Market independence and other standards required to serve on the Board of Directors of Videocon d2h or any committee thereof.

4.14 Registration Rights.

(a) The F-4 shall include a reoffer prospectus relating to the offer and sale from time to time, separately or together, by any persons (including their donees, pledgees, assignees, transferees or other successors) who may be deemed to be affiliates of SEAC pursuant to paragraph (c) of Rule 145 promulgated under the Securities Act (collectively, the “Sellers”) of any Shares (represented by ADSs) received or to be received by them pursuant to the transactions contemplated by this Agreement. Videocon d2h agrees that, prior to such time as the F-4 ceases to be effective under the Securities Act or the prospectus thereunder relating to such Shares ceases to be current, whichever is earlier, it shall file with the SEC a post-effective amendment to the F-4, or a new registration statement, and take all such other actions necessary to ensure that there is an effective registration statement containing a prospectus that remains current (and to qualify for sale under required U.S. state securities laws) covering the offer and sale of such Shares (represented by ADSs) by the Sellers. The registration contemplated by the preceding two sentences shall be a “shelf registration” registering the offer and sale of the indicated Shares (represented by ADSs) by all methods specified by such parties (including underwritten offerings). The Parties and the holders of the founder shares of SEAC will enter into a registration rights agreement in a form acceptable to the Parties and such security holders as of the Closing which includes the foregoing rights, piggyback registration rights, as well as other customary rights and provisions (including for the payment by such security holders of their related fees and expenses (including underwriting commissions) associated with any such registration, including underwritten takedowns), and which includes an undertaking by Videocon d2h to cause, and to use its reasonable best efforts to cause the Depository to cause, the depository arrangements and the registration statement on Form F-6 with respect to such Shares to remain current and in effect to permit the disposition of any such Shares (represented by ADSs) in accordance with the Securities Act and other applicable laws and regulations

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(it being understood that such undertaking may require the provision to the Depositary by Videocon d2h, or its representatives, of certifications, legal opinions and undertakings with respect to the disposition of any such Shares (represented by the ADSs).

(b) The Parties agree that any reasonable and necessary fees, costs, expenses, commissions or other such charges related to the rights provided to SEAC security holders pursuant to Section 4.14(a) shall be borne by such security holders and will not be borne by Videocon d2h, and any agreement relating to, memorializing or documenting such rights will include provisions consistent with the foregoing. In the event both Videocon d2h and such security holders register and sell any securities in an offering contemplated by Section 4.14(a), the fees, costs, expenses and other such charges shall be shared among them on a pro rata basis based on the number of equity shares of Videocon d2h (or equity shares of Videocon d2h represented by ADSs) sold by each seller thereof.

(c) The obligation of Videocon d2h under Section 4.14(a) shall terminate three (3) years from the Closing Date and any agreement relating to, memorializing or documenting such rights will include provisions consistent with the foregoing.

ARTICLE 5

POST-CLOSING COVENANTS

The Parties agree as follows with respect to the period following the Closing:

5.1 General. In case at any time after the Closing any further action is necessary to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request, all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Article 7 below).

5.2 Continued Listing of ADSs. Videocon d2h will take such actions as are reasonably necessary to maintain the listing of the ADSs on the NASDAQ Stock Market for no less than five (5) years from the Closing Date, including, without limitation maintaining the Deposit Agreement in full force and effect and paying any fees and expenses owed thereunder to the Depositary. Notwithstanding the foregoing, if (i) Videocon d2h has equity shares listed on the Bombay Stock Exchange or other well-known and recognized international exchange outside the United States with an aggregate value in excess of \$100 million held by non-Affiliates of Videocon d2h, (ii) there are material changes in the Laws of the United States following the Closing Date that require direct expenses by Videocon d2h of more than \$3 million per annum in respect of maintaining such listing on the NASDAQ Stock Market (it being understood and agreed that any expenses required to be incurred by Videocon d2h in order to comply with any Laws of the United States in existence as of the Closing Date, including the Sarbanes-Oxley Act of 2002, shall not satisfy the condition of this clause (ii) regardless of any financial, compliance or other burden imposed on Videocon d2h) and (iii) the three (3) month daily average trading value of the ADSs on NASDAQ Stock Market is less than \$1.0 million, then Videocon d2h shall be under no obligation to take actions to maintain the listing upon at least six (6) months' prior written notice to the holders of the ADSs.

5.3 Indemnification.

(a) From and after the Closing, Videocon d2h shall provide or shall cause to be provided to each individual who becomes a director of Videocon d2h (the "Covered Persons"), rights to indemnification, advancement of expenses, and directors' and officers' insurance which are at least as favorable to such individuals as the rights to advancement of expenses, and directors' and officers' insurance consistent with industry standards, including by entering into indemnification agreements with the Covered Persons which provide such rights.

(b) From and after the Closing, in the event Videocon d2h or any of their successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of their assets to

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any Person, then, and in each such case, to the extent necessary, unless occurring by operation of law, proper provision shall be made so that the successors and assigns of Videocon d2h assume the obligations set forth in this Section 5.3.

(c) The provisions of this Section 5.3 (i) are intended to be for the benefit of, to grant third-party rights to and shall be enforceable by, and may not be amended without the approval of, each Covered Person and his heirs and representatives and (ii) are in addition to, and not in substitution for, any other rights to indemnification or contribution that any such Person may have by contract or otherwise.

5.4 Certain Taxes. It is agreed and understood that in no event shall (a) Videocon d2h be responsible for any Tax applicable to SEAC or any Stockholder of SEAC or (b) SEAC be responsible for any Tax applicable to Videocon d2h, whether or not related to the sale or other disposition of any ADSs or Shares.

5.5 Use of Proceeds. Videocon d2h shall use the Contribution Amount in accordance with the description of use of proceeds in the F-4.

5.6 SEAC Expense Amount. SEAC shall be responsible for and shall pay the SEAC Expense Amount.

5.7 Committee. Videocon d2h agrees that Harry E. Sloan or Jeff Sagansky shall be a member of the audit committee of the Board of Directors of Videocon d2h for so long as either Mr. Sloan or Mr. Sagansky, or either of their alternates, remain a director and for so long as they continue to satisfy all requirements at Law and all stock exchange requirements with respect to services on the audit committee of Videocon d2h.

5.8 Issuances. For a period of three (3) years following the Closing, Videocon d2h shall not create or issue any equity securities under the Videocon d2h Employees Stock Option Scheme 2014 (or any other equity scheme) representing, in the aggregate, an amount in excess of 4% of the Fully Diluted Equity Capital as of the Closing.

ARTICLE 6

CONDITIONS TO OBLIGATION TO CLOSE

6.1 Conditions to Obligation of SEAC. The obligation of SEAC to consummate the transactions to be performed by SEAC in connection with the Closing is subject to satisfaction of the following conditions:

(a) Videocon d2h shall have delivered to the Depository the Shares in accordance with Section 1.2(b);

(b) Videocon d2h shall have requested the Depository to issue ADSs in accordance with Section 1.2(c);

(c) all of the representations and warranties contained in Article 3 or in any other Ancillary Agreement that contain “Material Adverse Effect,” “Material Adverse Change” or other “materiality” or similar qualifiers must have been accurate in all respects as of the date hereof and must be accurate in all respects as if made on the Closing Date and all of the representations and warranties contained in Article 3 or in any other Ancillary Agreement that do not contain “Material Adverse Effect,” “Material Adverse Change” or other “materiality” or similar qualifiers must have been accurate in all material respects as of the date hereof and must be accurate in all material respects as if made on the Closing Date;

(d) Videocon d2h shall have performed and complied in all material respects with all of the covenants and agreements in this Agreement to be performed prior to or at the Closing;

(e) there shall not be any Order in effect preventing consummation of any of the transactions contemplated by this Agreement or any Proceeding seeking to restrain, prevent, change or delay the consummation of any of the transactions contemplated by this Agreement; or the Ancillary Agreements;

(f) there shall not have been a Material Adverse Change;

(g) Videocon d2h shall have received all Consents and Permits of Governmental Bodies and other Persons required under any Contract listed on Section 3.13(a) of the Disclosure Schedule or which the Parties otherwise agree are necessary for the consummation of the transactions contemplated by this Agreement;

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(h) Videocon d2h shall have delivered to SEAC at the Closing a certificate, in form and substance reasonably satisfactory to SEAC, confirming that each of the conditions specified above in Section 6.1(c) – (g) is satisfied;

(i) Videocon d2h shall have delivered to SEAC a certificate of the Secretary of Videocon d2h, dated the Closing Date, attaching and certifying (1) the Organizational Documents of Videocon d2h, (2) the authorizing resolutions of Videocon d2h, and (3) the incumbency and signatures of the Persons signing this Agreement and the Ancillary Agreements on behalf of Videocon d2h;

(j) Each of the Employment Agreements between Videocon d2h and Saurabh Pradipkumar Dhoot, Anil Khera, Rohit Jain and Avanti Kumar Kanthaliya shall be in full force and effect as of the Closing and before Closing there should not be a change in compensation terms aggregating to more than US\$500,000 without the prior written consent of SEAC;

(k) the Board of Directors of Videocon d2h shall consist of (A) the following directors: Saurabh Pradipkumar Dhoot, Shivratn Jeetmal Taparia, Pradeep Ramwilas Rathi, Nabankur Gupta, Karunchandra Srivastava, Harry E. Sloan and Jeff Sagansky and (B) the alternate directors for Harry E. Sloan and Jeff Sagansky set forth on Schedule 4.13 and Videocon d2h shall have delivered to SEAC approval of the Shareholders appointing Harry E. Sloan, Jeff Sagansky and the aforementioned alternate directors to the Board of Directors for a term of no less than 3 years;

(l) either of Harry E. Sloan or Jeff Sagansky shall have been appointed to the audit committee of the Board of Directors of Videocon d2h (provided they have affirmed their eligibility to serve under applicable Law and stock exchange requirements);

(m) the Shareholder Lockup, Tag Along and Voting Agreement shall have been executed and delivered by the parties thereto;

(n) Videocon d2h and the Distribution Agent shall have executed and delivered the Distribution Agent Agreement;

(o) Videocon d2h and the Depository shall have executed and delivered the Deposit Agreement;

(p) the Registration Statements shall have been declared effective by the SEC and remain effective on the Closing Date and the ADSs shall have been approved for listing on the NASDAQ Stock Market, subject to notice of issuance;

(q) the Required SEAC Vote shall have been obtained and such approval shall not have been withdrawn or amended;

(r) evidence of the grant by Videocon d2h at the Closing of (i) the equivalent of an additional \$13 million of Shares increasing ratably to a maximum of an additional \$20 million of Shares, based on the applicable actual Contribution Amount contributed by SEAC to Videocon d2h pursuant to Section 1.2(a) of this Agreement, to be represented by ADSs, to the Sponsor at the Listing Price (or such other issuances or cash payments by Videocon d2h at the Closing that would result in the Sponsor receiving the same economic rights, benefits and privileges), with 50% of the Shares issued pursuant to clause (i) subject to forfeiture if the Initial Performance Hurdle has not been satisfied and the remaining 50% of such Shares issued pursuant to clause (i) subject to forfeiture if the Subsequent Performance Hurdle has not been satisfied and (ii) the equivalent of \$7 million of Shares, to be represented by ADSs, to Mr. Saurabh Dhoot at the Listing Price (or such other issuances or cash payments by Videocon d2h at the Closing that would result in Mr. Saurabh Dhoot receiving the same economic rights, benefits and privileges), with 50% of the Shares issued pursuant to clause (ii) subject to forfeiture if the Initial Performance Hurdle has not been satisfied and the remaining 50% of such Shares issued pursuant to clause (ii) subject to forfeiture if the Subsequent Performance Hurdle has not been satisfied;

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(s) Videocon d2h has adopted a policy with respect to compliance with the Foreign Corrupt Practices Act of 1977, as amended;

(t) the Depository shall have furnished or caused to be furnished to SEAC confirmation of the deposit with it or the custodian of the Shares being so deposited and the payment by Videocon d2h of any fees payable to the Depository; and

(u) Videocon d2h shall have delivered to SEAC all other instruments and documents required by this Agreement to be delivered by Videocon d2h.

All such agreements, documents and other items shall be in form and substance satisfactory to SEAC. SEAC may waive any condition specified in this Section 6.1 if it executes a writing so stating at or prior to the Closing, other than any condition which may not be waived under applicable Law, or the waiver of which could reasonably be expected to cause the consummation by Videocon d2h of the transactions contemplated by this Agreement to violate applicable Law.

6.2 Conditions to Videocon d2h's Obligation. Videocon d2h's obligations to consummate the transactions to be performed by it in connection with the Closing are subject to satisfaction of the following conditions:

(a) SEAC must have deposited the Contribution Amount as provided for in Article 1 of the Agreement;

(b) all of the representations and warranties in Section 2.1 or in any other Ancillary Agreement must have been accurate in all material respects as of the date hereof and must be accurate in all material respects as if made on the Closing Date;

(c) SEAC must have performed and complied in all material respects with all of its covenants and agreements in this Agreement to be performed prior to or at the Closing;

(d) there shall not be any Order in effect preventing consummation of any of the transactions contemplated by this Agreement or any Proceeding seeking to restrain, prevent, change or delay the consummation of any of the transactions contemplated by this Agreement;

(e) the Required SEAC Vote shall have been obtained;

(f) SEAC shall have delivered to Videocon d2h at the Closing a certificate, in form and substance reasonably satisfactory to Videocon d2h, confirming that each of the conditions specified above in Section 6.2(b) – (e) is satisfied;

(g) SEAC shall have delivered to Videocon d2h a certificate from the Secretary of SEAC, dated as of the Closing Date, attaching and certifying the Organizational Documents and authorizing resolutions of SEAC and certifying the incumbency and signatures of the persons signing this Agreement and the other agreements contemplated hereby;

(h) If Videocon d2h shall have provided written notice to SEAC pursuant to the third sentence of Section 4.5, and SEAC shall not have terminated this Agreement pursuant to clause (A) of Section 4.5 or this Agreement has not been amended pursuant to clause (C) of Section 4.5, SEAC shall have delivered to Videocon d2h the confirmation set out in clause (B) of Section 4.5;

(i) SEAC shall have received all other Consents and Permits of Governmental Bodies and other Persons necessary for the consummation of the transactions contemplated by this Agreement; and

(j) the Sponsor Lockup Agreement shall have been executed and delivered by the parties thereto.

Videocon d2h may waive any condition specified in this Section 6.2 if it executes a writing so stating at or prior to the Closing other than any condition which may not be waived under applicable Law, or the waiver of which could reasonably be expected to cause the consummation by SEAC of the transactions contemplated by this Agreement to violate applicable Law.

ARTICLE 7

SURVIVAL

7.1 Indemnification by Videocon d2h. Subject to the terms and conditions of this Article 7, Videocon d2h will indemnify and hold harmless SEAC, its representatives and the SEAC Distribution Record Holders, each of their respective Affiliates, and their respective successors and assigns (the “SEAC Indemnitees”) from and against the entirety of any Adverse Consequences that any SEAC Indemnitee may suffer or incur resulting from, arising out of, relating to, in the nature of, or caused by (a) any breach or inaccuracy of any representation or warranty made by Videocon d2h in Article 3 (except if such breach or inaccuracy arises solely from legislative, judicial or other acts of a Governmental Body following the date of this Agreement) or (b) any breach of any covenant or agreement of Videocon d2h in Article 5 of this Agreement. Notwithstanding the foregoing, it is understood and agreed that no SEAC Indemnitee may sell or otherwise transfer any of its rights under this Article 7 to any third party, including to any person who acquires or otherwise succeeds to an ADS issued pursuant to the terms of this Agreement.

7.2 Indemnification by SEAC. Subject to the terms and conditions of this Article 7, SEAC will indemnify and hold harmless Videocon d2h and its representatives, each of their respective Affiliates, and their respective successors and assigns (the “Videocon d2h Indemnitees”) from and against the entirety of any Adverse Consequences they may suffer or incur resulting from, arising out of, relating to, in the nature of, or caused by (a) any breach or inaccuracy of any representation or warranty made by SEAC in Article 2 (except if such breach or inaccuracy arises solely from legislative, judicial or other acts of a Governmental Body following the date of this Agreement) or (b) any breach of any covenant or agreement of SEAC in Article 5 of this Agreement. Notwithstanding the foregoing, it is understood and agreed that no Videocon d2h Indemnitee may sell or otherwise transfer any of its rights under this Article 7 to any third party, including to any person who acquires or otherwise succeeds to any equity securities owned by a Shareholder.

7.3 Survival and Time Limitations. All representations, warranties, covenants and agreements of the Parties in this Agreement or any other certificate or document delivered pursuant to this Agreement will survive the Closing. Except as set forth in Section 4.5, the right to indemnification for Adverse Consequences based on such representations, warranties, covenants and agreements will not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) by a Party at any time, whether before or after the execution and delivery of this Agreement, with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenant, or obligation, except that a Party shall not be entitled to indemnification if the Party from which it is seeking indemnification proves that the Party seeking indemnification obtained Knowledge of such inaccuracy or non-compliance from the Party from which it is seeking indemnification prior to entering into this Agreement. All SEAC Indemnitees shall be deemed to have the Knowledge of SEAC under this Agreement. Videocon d2h will have no liability with respect to any claim under Section 7.1(a) unless SEAC notifies Videocon d2h of such a claim on or before the date that is thirty (30) days after the earlier of the date on which Videocon d2h has made publicly available (by inclusion in a Form 6-K filed with the SEC) its audited financial statements (which are audited by a PCAOB registered firm and are prepared under IFRS) for (i) the full fiscal year ending March 31, 2016 or (ii) the six-month period ended September 30, 2015, if either Harry E. Sloan or Jeff Sagansky or alternate director or nominee director appointed on their behalf by them, served on the audit committee of the Board of Directors of Videocon d2h which approved such financial statements and such financial statements include all of the information and notes required for annual financial statements under IFRS (the “Survival Date”). SEAC will have no liability with respect to any claim under Section 7.2(a) unless Videocon d2h notifies SEAC of such a claim on or before the Survival Date. If SEAC or Videocon d2h, as applicable, provides proper notice of a claim within the applicable time period set forth above, then liability for such claim will continue until such claim is resolved.

7.4 Limitations on Indemnification by Videocon d2h.

(a) With respect to the matters described in Section 7.1(a), Videocon d2h will have no liability with respect to such matters until the SEAC Indemnitees have suffered aggregate Adverse Consequences by reason of all such breaches in excess of an amount equal to 2.0% of the Contribution Amount (the “Basket”), after which point Videocon d2h will be obligated to indemnify the SEAC Indemnitees from and against all Adverse

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Consequences which exceed the amount of the Basket; provided, that the foregoing limitation shall not apply in respect of any Adverse Consequences relating to any intentional or fraudulent breach of a representation or warranty.

(b) With respect to the matters described in Section 7.1(a), the aggregate maximum liability of Videocon d2h shall be an amount equal to 12.50% of the Contribution Amount (the “Cap”); provided, that the foregoing limitation shall not apply in respect of any Adverse Consequences relating to any intentional or fraudulent breach of representation or warranty.

(c) For the avoidance of doubt, Videocon d2h shall not be liable under Section 7.1(a) to indemnify any SEAC Indemnitee from or against any Adverse Consequences arising out of, relating to, or caused by the realization of any contingent liabilities expressly disclosed as such in the Annual Financial Statements or the legal proceedings set forth in the F-4.

7.5 Limitations on Indemnification by SEAC.

(a) With respect to the matters described in Section 7.2(a), SEAC will have no liability with respect to such matters until the Videocon d2h Indemnitees have suffered Adverse Consequences by reason of all such breaches in excess of the Basket, after which point SEAC will be obligated to indemnify Videocon d2h Indemnitees from and against all Adverse Consequences which exceed the amount of the Basket; provided, that the foregoing limitation shall not apply in respect of any Adverse Consequences relating to any intentional or fraudulent breach of a representation or warranty.

(b) With respect to the matters described in Section 7.2(a), the aggregate maximum liability of SEAC shall be the Cap; provided, that the foregoing limitation shall not apply in respect of any Adverse Consequences relating to any intentional or fraudulent breach of a representation or warranty.

(c) For the avoidance of doubt, SEAC shall not be liable under Section 7.2(a) to indemnify any Videocon d2h Indemnitee from or against any Adverse Consequences arising out of, relating to, or caused by the realization of any contingent liabilities expressly disclosed as such in SEAC’s financial statements or the legal proceedings set forth in the F-4.

7.6 Third-Party Claims.

(a) If a third party initiates a claim, demand, dispute, lawsuit or arbitration (a “Third-Party Claim”) against any Person (the “Indemnified Party”) with respect to any matter that the Indemnified Party might make a claim for indemnification against any Party (the “Indemnifying Party”) under this Article 7, then the Indemnified Party must promptly notify the Indemnifying Party in writing of the existence of such Third-Party Claim and must deliver copies of any documents served on the Indemnified Party with respect to the Third-Party Claim; provided, however, that any failure on the part of an Indemnified Party to so notify an Indemnifying Party shall not limit any of the obligations of the Indemnifying Party under this Article 7 (except to the extent such failure materially prejudices the defense of such proceeding).

(b) Upon receipt of the notice described in Section 7.6(a), the Indemnifying Party will have the right to defend the Indemnified Party against the Third-Party Claim with counsel reasonably satisfactory to the Indemnified Party, provided, that (i) the Indemnifying Party notifies the Indemnified Party in writing within fifteen (15) days after the Indemnified Party has given notice of the Third-Party Claim that the Indemnifying Party will indemnify the Indemnified Party from and against the entirety of any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third-Party Claim, (ii) the Indemnifying Party provides the Indemnified Party with evidence reasonably acceptable to the Indemnified Party that the Indemnifying Party will have the financial resources to defend against the Third-Party Claim and fulfill its indemnification obligations hereunder, (iii) the Third-Party Claim involves only money damages and does not seek an injunction or other equitable relief, (iv) settlement of, or an adverse judgment with respect to, the Third-Party Claim is not, in the good faith judgment of the Indemnified Party, likely to establish a precedential custom or practice adverse to the continuing business interests or the reputation of the Indemnified Party, and (v) the Indemnifying Party conducts the defense of the Third-Party Claim actively and diligently. The Indemnifying Party will keep the Indemnified Party apprised of all material developments, including settlement offers, with respect to the Third-Party Claim and permit the

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Indemnified Party to participate in the defense of the Third-Party Claim. So long as the Indemnifying Party is conducting the defense of the Third-Party Claim in accordance with this Section 7.6(b), the Indemnifying Party will not be responsible for any attorneys' fees or other expenses incurred by the Indemnified Party regarding the defense of the Third-Party Claim.

(c) In the event that any of the conditions under Section 7.6(b) is or becomes unsatisfied, however, (i) the Indemnified Party may defend against, and consent to the entry of any judgment on or enter into any settlement with respect to, the Third-Party Claim in any manner it may reasonably deem appropriate, (ii) the Indemnifying Parties will reimburse the Indemnified Party promptly and periodically for the costs of defending against the Third-Party Claim (including reasonable attorneys' fees and expenses), and (iii) the Indemnifying Parties will remain responsible for any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third-Party Claim to the fullest extent provided in this Article 7.

(d) Except in circumstances described in Section 7.6(c), neither the Indemnified Party nor the Indemnifying Party will consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the other party, which consent will not be unreasonably withheld or delayed.

(e) All Third Party Claims under this Section 7.6 shall be subject to the Basket and Cap provisions of Section 7.4 or 7.5, as applicable.

7.7 Other Indemnification Matters. For purposes of determining whether there has been any misrepresentation or breach of a representation or warranty, and for purposes of determining the amount of Adverse Consequences resulting therefrom, all qualifications or exceptions in any representation or warranty relating to or referring to the terms "material", "materiality", "in all material respects", "Material Adverse Effect" or any similar term or phrase shall be disregarded, it being the understanding of the Parties that for purposes of determining liability under this Article 7, the representations and warranties of the Parties contained in this Agreement shall be read as if such terms and phrases were not included in them.

7.8 Exclusive Remedy. Except with respect to claims based on fraud, intentional misconduct or the failure to perform and comply with the covenants and agreements that survive the Closing, the indemnification provided pursuant to this Article 7 shall be the sole and exclusive remedy hereto for any Adverse Consequences resulting from, with respect to or arising out of any breach or claim in connection with this Agreement, any schedule hereto and any certificate delivered in connection herewith, regardless of the cause of action. Nothing contained in this Section 7.8 shall, however, limit a party's right to pursue equitable remedies, including injunctive relief and specific performance as provided in this Agreement.

ARTICLE 8

TERMINATION

8.1 Termination of Agreement. The Parties may terminate this Agreement as provided below:

(a) SEAC and Videocon d2h may terminate this Agreement by mutual written consent at any time prior to the Closing;

(b) SEAC may terminate this Agreement by giving written notice to Videocon d2h at any time prior to the Closing (i) in the event Videocon d2h has breached or failed to perform in any material respect any representation, warranty, or covenant contained in this Agreement which breach or failure to perform (A) would cause any condition precedent under Section 6.1 not to be satisfied and (B) either cannot be cured or, if curable, is not cured by Videocon d2h on or before the earlier of March 31, 2015 and the date which is thirty (30) Business Days following receipt by Videocon d2h of written notice of such breach or failure or (ii) if the Closing shall not have occurred on or before the later of (x) March 31, 2015 or (y) if the Effective Date has occurred, forty-five (45) Business Days from the Effective Date, by reason of the failure of any condition precedent under Section 6.1 hereof (unless the failure results primarily from SEAC itself materially breaching any representation, warranty, or covenant contained in this Agreement);

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(c) SEAC may terminate this Agreement by giving written notice to Videocon d2h in accordance with Section 1.1(b), Section 4.5 or Section 4.6;

(d) Videocon d2h may terminate this Agreement by giving written notice to SEAC at any time prior to the Closing (i) in the event SEAC has breached or failed to perform in any material respect any representation, warranty, or covenant contained in this Agreement which breach or failure to perform (A) would cause any condition precedent under Section 6.2 not to be satisfied and (B) either cannot be cured or, if curable, is not cured by SEAC on or before the earlier of March 31, 2015 and the date which is thirty (30) Business Days following receipt by SEAC of written notice of such breach or failure or (ii) if the Closing shall not have occurred on or before the later of (x) March 31, 2015 or (y) if the Effective Date has occurred, forty-five (45) Business Days from the Effective Date, by reason of the failure of any condition precedent under Section 6.2 hereof (unless the failure results primarily from Videocon d2h breaching any representation, warranty, or covenant contained in this Agreement); or

(e) Videocon d2h may terminate this Agreement by giving written notice to SEAC in accordance with Section 1.1(b).

8.2 Effect of Termination. If this Agreement is terminated pursuant to Section 8.1, all obligations of the Parties under this Agreement will terminate; provided, however, that this Section 8.2 and Article 10 will survive the termination. Nothing in this Article 8 will release any Party from any liability for any willful or intentional breach of any covenant or agreement in this Agreement. In no event shall the liability of any Party under this Agreement after termination of this Agreement for any reason exceed USD 1.5 million.

ARTICLE 9

DEFINITIONS

“2015 Budget” has the meaning set forth in Section 3.7(e) above.

“8-A12(b)” has the meaning set forth in the definition of “Registration Statements”.

“Additional SEAC Filings” has the meaning set forth in Section 4.9 above.

“ADRs” or “American Depositary Receipts” means one or more certificates evidencing the ADSs.

“ADSs” means the American Depositary Shares representing the Shares deposited by Videocon d2h with the Depositary pursuant to Section 1.1 hereof, which may be in certificated or uncertificated form.

“Adverse Consequences” means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, Orders, dues, penalties, fines, costs, amounts paid in settlement, liabilities, obligations, Taxes, Liens, losses, damages, deficiencies, diminution in value, costs of investigation, court costs, and other expenses (including interest, penalties and reasonable attorneys’ fees and expenses) whether in connection with Third Party Claims or claims among the parties related to the enforcement of the provisions of this Agreement.

“Affiliate” means, with respect to the Person to which it refers, (a) a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, such Person, (b) any officer, director or shareholder of such Person, and (c) any corporation, limited liability company, general or limited partnership, trust, association or other business or investment entity that directly or indirectly, through one or more intermediaries controls, is controlled by or is under common control with any of the foregoing individuals. For purposes of this definition, the term “control” of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” has the meaning set forth in the preface above.

“Ancillary Agreements” means the Shareholder Lockup, Tag Along and Voting Agreement, the Sponsor Lockup Agreement, the Distribution Agent Agreement and the Deposit Agreement.

“Annual Financial Statements” has the meaning set forth in Section 3.7(a) above.

“Basket” has the meaning ascribed to such term in Section 7.4(a) above.

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“Business” means the business of (a) providing direct-to-home services which distribute multiple television channels and allied video and audio services to subscribers in India and (b) providing any other products or services that Videocon d2h provides, or is actively consider providing, at any time during the twelve (12) months prior to the Closing Date.

“Business Day” means any day that is not a Saturday, Sunday or any other day on which banks are required or authorized by Law to be closed in New York, New York or India.

“Cap” has the meaning set forth in Section 7.4(b) above.

“Chairman” has the meaning set forth in Section 10.15 below.

“Closing” has the meaning set forth in Section 1.3 above.

“Closing Date” has the meaning set forth in Section 1.3 above.

“Code” means the Internal Revenue Code of 1986, as amended, and any applicable rules and regulations thereunder, and any successor to such statute, rules or regulations.

“Consent” means, with respect to any Person, any consent, approval, authorization, permission or waiver of, or registration, declaration or other action or filing with or exemption by such Person.

“Consumer Premises Equipment” means the hardware equipment for the reception of direct-to-home content provided by Videocon d2h to its subscribers and located on the premises of Videocon d2h’s subscribers and its warehouse and service franchises, primarily consisting of (a) a satellite dish antenna, (b) a Low Noise Block downconverter Feedhorn (LNBF), (c) a set-top box, (d) a smart card and (e) cable to connect the satellite dish antenna to the set-top box.

“Contract” means any oral or written contract, obligation, understanding, commitment, lease, license, purchase order, bid or other agreement.

“Contribution Amount” means has the meaning set forth in Section 1.1(a) above.

“Covered Persons” has the meaning set forth in Section 5.3(a) above.

“Deposit Agreement” means the Deposit Agreement by and between Videocon d2h and the Depository, in the form to be agreed to by Videocon d2h, SEAC and the Depository.

“Depository” means Deutsche Bank Trust Company Americas.

“Disclosure Schedule” means the disclosure schedule delivered by Videocon d2h to SEAC on the date hereof.

“Distribution Agent” means a reputable bank, transfer agent or trust company mutually selected by SEAC and Videocon d2h prior to the Closing Date to act as distribution agent under the Distribution Agent Agreement.

“Distribution Agent Agreement” means the Distribution Agent Agreement by and among Videocon d2h, SEAC (and/or SEAC’s Agent) and the Distribution Agent, in the form to be agreed to by Videocon d2h, SEAC (and/or SEAC’s Agent) and the Distribution Agent.

“Effective Date” has the meaning set forth in Section 1.1(b) above.

“Employee Benefit Plan” means any (a) deferred compensation or retirement plan, fund, program, or arrangement, (b) equity-based plan, program, or arrangement (including any share capital option, share capital purchase, share capital ownership, share capital appreciation, phantom share capital, or restricted share capital plan) or (c) other retirement, severance, bonus, profit-sharing, incentive, health, medical, surgical, hospital, indemnity, welfare, sickness, accident, disability, death, apprenticeship, training, day care, scholarship, tuition reimbursement, education, adoption assistance, prepaid legal services, termination, unemployment, vacation or other paid time off, change in control, or other similar plan, fund, program, or arrangement, whether written or unwritten, that is sponsored, maintained, or contributed to, or required to be maintained or contributed to, by Videocon d2h for the benefit of any present or former officers, employees, agents, directors, consultants, or independent contractors of Videocon d2h.

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“Environmental, Health, and Safety Requirements” means all Laws and Orders in India applicable to Videocon d2h concerning public health and safety, worker and occupational health and safety, natural resources and pollution or protection of the environment, including all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control, or cleanup of any Hazardous Substances, materials, or wastes, chemical substances, or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, fuel oil products and byproducts, mold, asbestos, polychlorinated biphenyls, noise, or radiation.

“Excluded Equity Capital” means, collectively, (i) the Shareholder Earnout Shares, (ii) any equity securities to be issued pursuant to the Videocon d2h Employees Stock Option Scheme 2014 (or any other scheme approved by the Board of Directors of Videocon d2h) and (iii) any equity securities to be issued to Sponsor and Mr. Saurabh Dhoot as required by Section 6.1(r); provided, however, that solely for the purposes of Section 1.1(c), the reference to Fully Diluted Equity Capital shall take into account the Shareholder Earnout Shares.

“Exclusivity End Date” has the meaning set forth in Section 4.7(c) above.

“F-4” has the meaning set forth in the preliminary statements above.

“F-4 Contracts” has the meaning set forth in Section 3.13(c) above.

“F-6” has the meaning set forth in the definition of “Registration Statements.”

“Financial Statements” has the meaning set forth in Section 3.7(a) above.

“Fully Diluted Equity Capital” means all of the outstanding share capital or other ownership interests of Videocon d2h, in whatever form, including any securities convertible or exchangeable into share capital or other ownership interests of Videocon d2h, after taking into account the Shares issued pursuant to Section 1.1(a) above, but, without taking into account the Excluded Equity Capital.

“Governmental Body” means any foreign or domestic federal, state or local government or quasi-governmental authority or any department, agency, subdivision, court or other tribunal of any of the foregoing.

“Hazardous Substances” means (a) petroleum or petroleum products, flammable materials, explosives, radioactive materials, radon gas, lead-based paint, asbestos in any form, urea formaldehyde foam insulation, polychlorinated biphenyls (PCBs), transformers or other equipment that contain dielectric fluid containing PCBs and toxic mold or fungus of any kind or species, (b) any chemicals or other materials or substances which are defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “toxic substances,” “toxic pollutants,” “contaminants,” “pollutants,” or words of similar import under any applicable Environmental, Health, and Safety Requirements, and (c) any other chemical, material or substance exposure to which is prohibited, limited or regulated under any applicable Environmental, Health, and Safety Requirements.

“IFRS” means the English language version of the International Financial Reporting Standards in effect from time to time as issued by the International Accounting Standards Board.

“Indebtedness” means, with respect to any Person on any date of determination (without duplication): (a) the principal of, interest on and premium (if any) in respect of indebtedness of such Person for borrowed money; (b) the principal of, interest on and premium (if any) in respect of obligation of such Person evidenced by bonds, debentures, notes or other similar instruments; (c) the principal component of all obligations of such Person in respect of letters of credit, bankers’ acceptances or other similar instruments (including reimbursement obligations with respect thereto except to the extent such reimbursement obligation relates to a trade payable and such obligation is satisfied within 90 days of incurrence); (d) capitalized lease obligations of such Person; (e) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except trade payables); and (f) the principal component of indebtedness of other Persons to the extent guaranteed by such Person.

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“Indemnified Party” has the meaning set forth in Section 7.6(a) above.

“Indemnifying Party” has the meaning set forth in Section 7.6(a) above.

“Indian Rupee”, “INR” or “Rs.” means the lawful currency from time to time of India.

“Indian Rupee/U.S. Dollar Exchange Rate” means the number of Indian Rupees exchangeable for a U.S. Dollar as reported by Bloomberg at 12:00 Noon on each date such exchange rate is required to be determined.

“Initial Performance Hurdle” means that the last sales price of the Videocon d2h ADSs on the NASDAQ Stock Market (converted into Indian Rupees on each such day at the Indian Rupee/U.S. Dollar Exchange Rate on such date) for any 20 trading days within any 30-trading day period within three (3) years from the Closing Date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 125% of the Listing Price.

“Intellectual Property” means all of the following in any jurisdiction throughout the world: (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissues, continuations, continuations-in-part, divisions, extensions, and reexaminations thereof, (b) all trademarks, service marks, trade dress, logos, slogans, trade names, corporate and business names, Internet domain names, and rights in telephone numbers, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith, (d) all mask works and all applications, registrations, and renewals in connection therewith, (e) all trade secrets and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data and information, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (f) all Software, (g) all material advertising and promotional materials, (h) all other proprietary rights, and (i) all copies and tangible embodiments thereof (in whatever form or medium).

“Intellectual Property Licenses” means any Contract pursuant to which Videocon d2h uses Intellectual Property which is not owned by Videocon d2h or pursuant to which Videocon d2h grants any other Person the right to use any Intellectual Property owned or licensed by Videocon d2h.

“Interim Financial Statements” has the meaning set forth in Section 3.7(a) above.

“Knowledge” means (a) in the case of Videocon d2h, the actual knowledge of Saurabh Pradipkumar Dhoot, Anil Khera, Rohit Jain and Avanti Kumar Kanthaliya, and (b) in the case of SEAC, the actual knowledge of Harry E. Sloan, Jeff Sagansky and James Graf.

“Law” means any foreign or domestic federal, state or local law, statute, code, ordinance, regulation, rule, consent agreement, constitution or treaty of any Governmental Body, including common law.

“Leased Real Property” means all leasehold or subleasehold estates and other rights to use or occupy any land, buildings, structures, improvements, fixtures or other interest in real property held by Videocon d2h.

“Leases” means all written or oral leases, subleases, licenses, concessions and other agreements, including all amendments, extensions, renewals, guaranties, and other agreements with respect thereto, pursuant to which Videocon d2h holds any Leased Real Property.

“Lien” means any lien, mortgage, pledge, encumbrance, charge, security interest, adverse claim, liability, interest, charge, preference, priority, proxy, transfer restriction (other than restrictions under the Securities Act, state securities laws and similar non-U.S. laws), encroachment, Tax, order, community property interest, equitable interest, option, warrant, right of first refusal, easement, profit, license, servitude, right of way, covenant or zoning restriction.

“Listing Price” means the price per ADS issued to the SEAC Distribution Record Holders converted into Indian rupees at the Indian Rupee/U.S Dollar Exchange Rate prevailing on the Closing Date.

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“Material Adverse Effect” or “Material Adverse Change” means any event, change, circumstance, effect or other matter that has had or is reasonably expected to have a material adverse effect on (a) the business, financial condition assets or results of operations of Videocon d2h, taken as a whole, or (b) the ability of Videocon d2h to consummate timely the transactions contemplated by this Agreement; provided, however, that none of the following, either alone or in combination, will constitute, or be considered in determining whether there has been, a Material Adverse Effect: any event, change, circumstance, effect or other matter resulting from or related to (i) any outbreak or escalation of war or major hostilities or any act of terrorism, (ii) changes in Laws, IFRS or enforcement or interpretation thereof, (iii) changes that generally affect the industries and markets in which Videocon d2h operates, (iv) changes in financial markets, general economic conditions (including prevailing interest rates, exchange rates, commodity prices and fuel costs) or political conditions, (v) any failure, in and of itself, of Videocon d2h to meet any published or internally prepared projections, budgets, plans or forecasts of revenues, earnings or other financial performance measures or operating statistics (it being understood that the facts and circumstances underlying any such failure may be considered in determining whether there has been a Material Adverse Effect), (vi) any action taken or failed to be taken pursuant to or in accordance with this Agreement or at the written request of, or consented to in writing by, SEAC, or (vii) the execution or delivery of this Agreement, the consummation of the transactions contemplated by this Agreement or the public announcement or other publicity with respect to any of the foregoing; provided, however, that the exceptions in clauses (i) through (iv) above shall not apply to the extent that the impact of such event, change, circumstance, effect or other matter is disproportionately adverse to Videocon d2h relative to other companies in any industry in which Videocon d2h operates.

“Material Contracts” means, collectively, the Contracts required to be listed in Section 3.13(a) of the Disclosure Schedule.

“Net Debt” means at any date the principal of, interest due on and premium (if any) in respect of all of the outstanding bank term loans (whether short or long term) of Videocon d2h, less all of Videocon d2h’s cash, cash equivalents and all deposits maintained with such banks.

“Order” means any order, award, decision, injunction, judgment, ruling, decree, charge, writ, subpoena or verdict entered, issued, made or rendered by any Governmental Body or arbitrator.

“Ordinary Course of Business” means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

“Organizational Documents” means (a) any certificate or articles of incorporation, bylaws, certificate or articles of formation, operating agreement or partnership agreement, (b) any documents comparable to those described in clause (a) as may be applicable pursuant to any Law and (c) any amendment or modification to any of the foregoing.

“Party” has the meaning set forth in the preface above.

“PCAOB” means the Public Company Accounting Oversight Board.

“Permit” means any license, import license, export license, franchise, Consent, permit, certificate, certificate of occupancy or Order issued by any Person.

“Permitted Lien” means any (a) liens for Taxes not yet due or payable or for Taxes that Videocon d2h is contesting in good faith through appropriate proceedings in a timely manner, in each case for which adequate reserves have been established and shown on the balance sheet contained within the Interim Financial Statements, (b) liens of landlords, carriers, warehousemen, workmen, repairmen, mechanics, materialmen and similar liens arising in the Ordinary Course of Business and not incurred in connection with the borrowing of money, (c) restrictions, easements, covenants, reservations, rights of way or other similar matters of title to the Leased Real Property of record, and (d) zoning ordinances, restrictions, prohibitions and other requirements imposed by any Governmental Body, all of which do not materially interfere with the conduct of the business of Videocon d2h.

“Person” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Body or other entity.

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“Proceeding” means any action, audit, lawsuit, litigation, investigation or arbitration (in each case, whether civil, criminal or administrative) pending by or before any Governmental Body or arbitrator.

“Proxy Statement” means the proxy statement to be filed by SEAC with the SEC in connection with the transactions contemplated by this Agreement.

“Record Date” means the record date set by SEAC for the SEAC Shareholder Meeting.

“Registration Statements” shall mean the F-4, the Depository’s Registration Statement on Form F-6 (the “F-6”) for the registration under the Securities Act of the ADS and Videocon d2h’s Registration Statement on Form 8-A (the “8-A12(b)”) for the registration under Section 12(b) of the Exchange Act of the Shares and the ADSs, as each may be amended from time to time.

“Required SEAC Vote” means the vote of such holders of shares of SEAC’s common stock as set forth in the Proxy Statement required to approve the SEAC Stockholder Voting Matters.

“Rules” has the meaning set forth in Section 10.15 below.

“SEAC” has the meaning set forth in the preface above.

“SEAC Acquisition Proposal” has the meaning set forth in Section 4.7(b).

“SEAC Distribution Record Date” has the meaning set forth in Section 1.2(b) above.

“SEAC Distribution Record Holders” has the meaning set forth in Section 1.2(b) above.

“SEAC Distribution Record Holder ADSs” has the meaning set forth in Section 1.2(c) above.

“SEAC Expense Amount” means the amount payable in respect of any and all legal, accounting, tax, financial advisory and other professional or transaction related costs, fees and expenses incurred by SEAC or their Affiliates in connection with this Agreement or in investigating, pursuing or completing the transactions contemplated hereby (including any amounts owed to any consultants, auditors, accountants, attorneys, brokers or investment bankers), including expenses of printers and travel and other ancillary expenses along with expenses incurred in connection with the procurement of directors’ and officers’ insurance policies for SEAC’s directors.

“SEAC Indemnitees” has the meaning set forth in Section 7.1 above.

“SEAC Stockholder Meeting” means a meeting of the stockholders of SEAC to vote on the SEAC Stockholder Voting Matters.

“SEAC Stockholder Voting Matters” means, collectively, proposals to approve (a) the adoption of this Agreement and (b) the other proposals submitted to the vote of SEAC’s stockholders in the Proxy Statement.

“SEAC’s Agent” has the meaning set forth in Section 10.17(a) below.

“SEC” means the United States Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended, and any applicable rules and regulations thereunder, and any successor to such statute, rules or regulations.

“Securities Exchange Act” means the Securities Exchange Act of 1934, as amended, and any applicable rules and regulations thereunder, and any successor to such statute, rules or regulations.

“Sellers” has the meaning set forth in Section 4.14 above.

“Shareholder” means a holder of equity capital of Videocon d2h as of the date hereof.

“Shareholder Earnout Shares” has the meaning set forth in Section 1.1(c) above.

“Shareholder Lockup, Tag Along and Voting Agreement” means the Lockup, Tag Along and Voting Agreement in the form of Exhibit A attached hereto.

“Shares” has the meaning set forth in the preliminary statements above.

“SIAC” has the meaning set forth in Section 10.15 below.

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“Sponsor” means Global Eagle Acquisition LLC and its successors and assigns.

“Sponsor Lockup Agreement” means the Lockup Agreement in the form of Exhibit B attached hereto.

“Software” means computer software programs (and all enhancements, versions, releases, and updates thereto), including software compilations, software tool sets, compilers, higher level or “proprietary” languages and all related programming and user documentation, whether in source code, object code or human readable form, or any translation or modification thereof that substantially preserves its original identity.

“Subsequent Performance Hurdle” means that the last sales price of the Videocon d2h ADSs on the NASDAQ Stock Market (converted into Indian Rupees on each such day at the Indian Rupee/U.S. Dollar Exchange Rate on such date) for any 20 trading days within any 30-trading day period within three (3) years from the Closing Date (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) equals or exceeds 150% of the Listing Price.

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association, or other business entity of which (a) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof or (b) if a limited liability company, partnership, association, or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof and for this purpose, a Person or Persons owns a majority ownership interest in such a business entity (other than a corporation) if such Person or Persons shall be allocated a majority of such business entity’s gains or losses or shall be or control any manager, management board, managing director or general partner of such business entity (other than a corporation). The term “Subsidiary” shall include all Subsidiaries of such Subsidiary.

“Survival Date” has the meaning set forth in Section 7.3 above.

“Systems” has the meaning set forth in Section 3.19 above.

“Tax” or “Taxes” means any U.S. federal, state, local and foreign non-U.S. net income, alternative or add-on minimum, estimated, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, capital profits, lease, service, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, abandoned property or escheat, environmental or windfall profit tax, customs duty or other tax, governmental fee or other like assessment or charge (and any liability incurred or borne by virtue of the application of Treasury Regulation Section 1.1502-6 (or any similar or corresponding provision of state, local or foreign non-U.S. Law), as a transferee or successor, by contract or otherwise), together with all interest, penalties, additions to tax and additional amounts with respect thereto.

“Tax Return” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Third-Party Claim” has the meaning set forth in Section 7.6(a) above.

“Trust Account” means the trust account established for the benefit of the public stockholders of SEAC.

“U.S. Dollar”, “USD” or “\$” means the lawful currency from time to time of the United States of America.

“Videocon d2h” has the meaning set forth in the preface above.

“Videocon d2h Acquisition Proposal” has the meaning set forth in Section 4.7(a).

“Videocon d2h Indemnitees” has the meaning set forth in Section 7.2 above

“Videocon d2h Securities” means all of the outstanding securities of Videocon d2h.

ARTICLE 10

MISCELLANEOUS

10.1 Press Releases and Public Announcements. Videocon d2h shall not issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of SEAC, except as required by applicable Law. Videocon d2h shall not provide any written materials (including by email) to its employees generally (or to any subset thereof), or to its customers or partners generally (or to any subset thereof), regarding the subject matter of this Agreement without the prior written approval of SEAC except as contemplated herein or required to affect the objectives of this Agreement or as required by applicable law. Except to the extent required by the Securities Act and the Securities Exchange Act (or stock exchange listing standards), SEAC shall not issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of Videocon d2h.

10.2 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns, other than as provided in [Article 7](#) with respect to the SEAC Indemnitees and the Videocon d2h Indemnitees, as provided in [Section 5.3](#) or as provided in [Section 4.14](#); provided, however, that with respect to any SEAC Distribution Record Holder of SEAC who is a SEAC Indemnitee, any rights or remedies available to such SEAC Distribution Record Holder under the terms of this Agreement may only be enforced by the SEAC Agent acting in accordance with [Section 10.17](#).

10.3 Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement among the Parties and supersedes any prior understandings, agreements, or representations by or among the Parties, written or oral, to the extent they relate in any way to the subject matter hereof.

10.4 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of SEAC and Videocon d2h.

10.5 Counterparts. This Agreement may be executed in one or more counterparts (including by means of facsimile), each of which shall be deemed an original but all of which together will constitute one and the same instrument.

10.6 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

10.7 Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given (a) when delivered personally to the recipient, (b) when sent by electronic mail or facsimile, on the date of transmission to such recipient, (c) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), or (d) four (4) Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and addressed to the intended recipient as set forth below:

If to Videocon d2h:

Videocon House
2nd Floor, Fort House, 221, Dr. D N Road
Mumbai – 400001, India
Attention: Saurabh Dhoot
Email: sdhoot@videoconmail.com

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Copy to: Videocon House
2nd Floor, Fort House, 221, Dr. D N Road
Mumbai – 400001, India
Attention: Amruta Karkare
Designation: Company Secretary, Videocon d2h
Limited
Email: A.Karkare@vfin.in

If to SEAC or SEAC's Agent: Silver Eagle Acquisition Corp.
1450 2nd Street, Suite 247
Santa Monica, CA 90401
Attention: Chief Financial Officer
Email: jgraf@geacq.com

Copy to: McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173
Attention: Joel L. Rubinstein, Esq.
Facsimile: (212) 547-5444
Email: jrubinstein@mwe.com

Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Parties notice in the manner herein set forth.

10.8 Governing Law. This Agreement and any claim, controversy or dispute arising out of or related to this Agreement, any of the transactions contemplated hereby, the relationship of the parties, and/or the interpretation and enforcement of the rights and duties of the parties, whether arising in contract, tort, equity or otherwise, shall be governed by and construed in accordance with the domestic Laws of the State of New York (including in respect of the statute of limitations or other limitations period applicable to any such claim, controversy or dispute), without giving effect to any choice or conflict of Law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of New York, except to the extent that the Laws of another jurisdiction would be mandatorily applicable the transactions contemplated hereby.

10.9 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by SEAC and Videocon d2h. No waiver by any Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

10.10 Injunctive Relief. The Parties to this Agreement hereby agree that, in the event of breach of this Agreement, damages would be difficult, if not impossible, to ascertain, that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, in addition to and without limiting any other remedy or right it may have, each Party to this Agreement shall be entitled to an injunction or other equitable relief in any court of competent jurisdiction, without any necessity of proving damages or any requirement for the posting of a bond or other security, enjoining any such breach, and enforcing specifically the terms and provisions. The Parties to this Agreement hereby waive any and all defenses he, she or it may have on the ground of lack of jurisdiction or competence of the court to grant such an injunction or other equitable relief.

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10.11 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

10.12 Expenses. Except as otherwise expressly provided in this Agreement, each Party will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby. For the avoidance of doubt, the Parties acknowledge and agree that Videocon d2h shall be responsible for payment of any filing fees owed to the SEC or Nasdaq, any costs and expenses (including premiums) incurred in connection with the procurement of directors' and officers' insurance (other than for any "tail" policies to be acquired by SEAC for SEAC's directors), any costs, fees and expenses to its consultants, auditors, accountants, attorneys, brokers or investment bankers and any application or listing fees related to this Agreement and the transactions contemplated hereby.

10.13 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation.

10.14 Incorporation of Exhibits. The exhibits and other schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

10.15 Arbitration. All claims and disputes arising under or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be resolved by binding arbitration in Singapore administered by the Singapore International Arbitration Centre ("SIAC") under the Arbitration Rules of the SIAC (the "Rules"). The arbitration shall be conducted before a panel of three arbitrators. SEAC and Videocon d2h shall select one arbitrator in accordance with the Rules. SEAC and Videocon d2h shall then attempt to agree on the third arbitrator (the "Chairman") within twenty (20) days of the confirmation of the second arbitrator. If SEAC and Videocon d2h fail to agree on the Chairman within such period, then such Chairman shall be appointed by the SIAC in accordance with the Rules. The arbitration shall be conducted in the English language. The arbitration shall be governed by and construed in accordance with the domestic Laws of the State of New York (including in respect of the statute of limitations or other limitations period applicable to any such claim, controversy or dispute), without giving effect to any choice or conflict of Law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of New York, except to the extent that the Laws of another jurisdiction would be mandatorily applicable the transactions contemplated hereby. The arbitrators shall have the power to grant any remedy or relief that they deem just and equitable, including but not limited to injunctive relief, whether interim and/or final, and any provisional measures ordered by the arbitrators may be enforced by any court of competent jurisdiction. Notwithstanding the foregoing, nothing in this Agreement shall prevent either party from seeking any provisional/preliminary relief (including, but not limited to, injunctions, attachments or other such orders in aid of arbitration) from any court of competent jurisdiction, and any such application to a court for provisional/preliminary relief shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate. In addition, the arbitrators shall, at the request of a Party, consolidate two or more arbitrations pending under the Rules into a single arbitration where, (i) all of the claims in the arbitrations are made under this Agreement, (ii) the disputes in the arbitrations arise in connection with the legal relationship between the Parties created by this Agreement, or (iii) the parties have agreed to consolidation. In cases of consolidation, all arbitrations shall be consolidated into the arbitration between the Parties. Except as may be otherwise required by Law or subpoena, the Parties (including their counsel and other representatives), the witnesses and the arbitrators may not disclose the existence, contents or results of any arbitration conducted hereunder without the prior written consent of the Parties. Any award rendered by the arbitrators shall be final and binding on the Parties, and each Party hereto waives to the fullest extent permitted by Law any right it may otherwise have under the Laws of any jurisdiction to any form of appeal of, or collateral attack against, such award. Judgment upon any awards rendered by the arbitrators may be entered in any court having jurisdiction thereof, including any court having jurisdiction

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over any of the Parties or their assets. All costs and fees incurred by the prevailing Party in connection with the judicial enforcement of any arbitral award, including all attorneys' fees, shall be paid by the non-prevailing Party, and the court shall have the authority to award such costs and fees to the prevailing Party.

10.16 Trust Account Waiver. Videocon d2h acknowledges and agrees that SEAC is a blank check company with the power and privileges to effect a merger, asset acquisition, reorganization or similar business combination involving Videocon d2h and one or more businesses or assets. Videocon d2h acknowledges and agrees that SEAC's sole assets consist of the cash proceeds of SEAC's initial public offering and private placements of its securities, and that substantially all of these proceeds have been deposited in the Trust Account for the benefit of its public shareholders. For and in consideration of SEAC entering into this Agreement, the receipt and sufficiency of which are hereby acknowledged, Videocon d2h, on behalf of itself and any of their respective managers, directors and officers, hereby irrevocably waive any right, title, interest or claim of any kind they have or may have in the future in or to any monies in the Trust Account, and agree not to seek recourse against the Trust Account or any funds distributed therefrom as a result of, or arising out of, any such claims against SEAC arising under this Agreement.

10.17 SEAC's Agent.

(a) Upon receipt of the Required SEAC Vote, each of SEAC's stockholders shall be deemed to have appointed each of Harry E. Sloan, Jeff Sagansky and James Graf (or any one of them acting singly) (collectively, "SEAC's Agent") for and on behalf of SEAC and such stockholders to give and receive notices and communications in connection with this Agreement and the transactions contemplated hereby, to take all actions on behalf of SEAC and such stockholders pursuant to this Agreement and any Ancillary Agreement, and to take all actions necessary or appropriate in the judgment of SEAC's Agent for the accomplishment of the foregoing. More specifically, SEAC's Agent shall have the authority to make all decisions and determinations and to take all actions (including giving Consents or agreeing to any amendments to this Agreement or any Ancillary Agreement or to the termination hereof or thereof) required or permitted hereunder on behalf of SEAC and each such stockholder, and any such action, decision or determination so made or taken shall be deemed the action, decision or determination of SEAC and each such stockholder, and any notice, communication, document, certificate or information required (other than any notice required by Law) to be given to any such stockholder hereunder or pursuant to any Ancillary Agreement shall be deemed so given if given to SEAC's Agent. SEAC's Agent shall be authorized to take all actions on behalf of SEAC and such stockholders in connection with any claims made under Article 7 of this Agreement, to defend or settle such claims, and to make payments in respect of such claims on behalf of such stockholders. No bond will be required of SEAC's Agent, and SEAC's Agent will receive no compensation for its services. Notices or communications to or from SEAC's Agent will constitute notice to or from SEAC and each of such stockholders.

(b) SEAC's Agent will not be liable for any act done or omitted hereunder as SEAC's Agent while acting in good faith and not in a manner constituting gross negligence or willful misconduct, and any act done or omitted pursuant to the advice of counsel will be conclusive evidence of such good faith. SEAC's stockholders will severally indemnify SEAC's Agent and hold SEAC's Agent harmless against any Adverse Consequences incurred without gross negligence or willful misconduct on the part of SEAC's Agent and arising out of or in connection with the acceptance or administration of SEAC's Agent's duties hereunder.

(c) A decision, act, consent or instruction of SEAC's Agent will constitute a decision of SEAC and all of its stockholders and will be final, binding and conclusive upon SEAC and each such stockholder, and Videocon d2h may rely upon any such decision, act, consent or instruction of SEAC's Agent as being the decision, act, consent or instruction of SEAC and each such stockholder.

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10.18 Schedules. Nothing in the schedules hereto shall be deemed adequate to disclose an exception to a representation or warranty made herein unless the schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail. Without limiting the generality of the foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be deemed adequate to disclose an exception to a representation or warranty made herein (unless the representation or warranty has to do with the existence of the document or other item itself). The Parties intend that each representation, warranty, and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) which the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty, or covenant.

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

SEAC:

SILVER EAGLE ACQUISITION CORP.

By: /s/ James A. Graf

Name: James A. Graf

Title: Vice President, Chief Financial Officer, Treasurer and Secretary

VIDEOCON D2H:

VIDEOCON D2H LIMITED

By: /s/ Saurabh Dhoot

Name: Saurabh Dhoot

Title: Executive Director

AMENDMENT NO. 1 TO CONTRIBUTION AGREEMENT

This AMENDMENT NO. 1 TO CONTRIBUTION AGREEMENT (the “Amendment”) is entered into on February 3, 2015, by and between Videocon d2h Limited, a public limited company organized under the laws of the Republic of India (“Videocon d2h”), and Silver Eagle Acquisition Corp., a Delaware corporation (“SEAC”).

WITNESSETH:

WHEREAS, Videocon d2h and SEAC entered into a Contribution Agreement dated as of December 31, 2014 (the “Contribution Agreement”), which among other things, provides for the contribution by SEAC of a substantial portion of its assets (consisting solely of cash) in exchange for such number of newly issued equity shares, face value 10 per share, of Videocon d2h, which shares will be represented by ADSs, which will be issued to the SEAC Distribution Record Holders (as directed by SEAC).

WHEREAS, pursuant to Section 10.9 of the Contribution Agreement, Videocon d2h and SEAC desire to amend the Contribution Agreement as provided in this Amendment.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants, promises and agreements hereinafter set forth, the mutual benefits to be gained by the performance thereof, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the parties to this Amendment, intending to be legally bound, hereby agree as follows:

Section 1. Defined Terms. Capitalized terms used herein, unless otherwise defined herein, have the meanings ascribed to them in the Contribution Agreement.

Section 2. Amendment to Section 1.1(a). Section 1.1(a) of the Contribution Agreement is hereby deleted in its entirety and replaced with the following:

“(a) In accordance with the terms and subject to the conditions of this Agreement, at the Closing, SEAC shall contribute to Videocon d2h an amount in cash in U.S. Dollars of at least \$200,850,000 (the “Contribution Amount”), and Videocon d2h shall issue, sell and deliver to the SEAC Distribution Record Holders (as directed by SEAC) in accordance with Section 1.2 of this Agreement, an aggregate number of Shares such that the SEAC Distribution Record Holders shall own, at the Closing, the relevant SEAC Distribution Record Holders Ownership Percentage of the Fully Diluted Equity Capital set out in the table attached hereto as Schedule 1.1 (which sets out the SEAC Distribution Record Holders Ownership Percentage ranging from 33.42% to 38.42% depending on the actual Contribution Amount contributed ranging from \$200.85 million to \$273.35 million) in respect of the applicable actual Contribution Amount contributed by SEAC to Videocon d2h pursuant to Section 1.2(a) of this Agreement. In the event that the actual Contribution Amount is an amount between any of the Contribution Amounts specified in the table attached hereto as Schedule 1.1, the SEAC Distribution Record Holders Ownership Percentage shall be adjusted proportionately between the related SEAC Distribution Record Holders Ownership Percentages in proportion to where the actual Contribution Amount falls between the two Contribution Amounts specified in such table.”

Section 3. Schedule 1.1. Schedule 1.1 of the Contribution Agreement is deleted in its entirety and replaced with Schedule 1.1 attached to this Amendment.

Section 4. Amendment to Section 1.1(c). Section 1.1(c) of the Contribution Agreement is hereby deleted in its entirety and replaced with the following:

“(c) The Parties agree that Videocon d2h shall issue to the Shareholders, by way of a bonus issue of shares (or such other form of share issue as determined by the independent members of the Board of Directors of Videocon d2h) in accordance with applicable Indian Laws, 46,720,000 Shares, which is equivalent to 11,680,000 Videocon d2h ADSs (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) as follows: (i) upon satisfaction of the Initial Performance Hurdle, 50% of such Shares shall be issued by Videocon d2h to the Shareholders and (ii) upon satisfaction of the Subsequent Performance Hurdle, the remaining 50% of such Shares shall be issued by Videocon d2h to the Shareholders (the Shares referred to in clauses (i) and (ii) above, collectively, the “Shareholder Earnout Shares”); provided, however, that in the

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event that prior to the satisfaction of the Initial Performance Hurdle and/or the Subsequent Performance Hurdle, Videocon d2h files a draft red herring prospectus with the Securities and Exchange Board of India for an initial public offering of Videocon d2h in India, the Shareholder Earnout Shares shall be issued prior to filing of such draft red herring prospectus, so long as such Shareholder Earnout Shares may not be directly or indirectly sold, transferred, pledged or hedged as further set forth in the Shareholder Lockup, Tag Along and Voting Agreement and provided, however, that in the event that the Initial Performance Hurdle and/or Subsequent Performance Hurdle are not subsequently satisfied, Videocon d2h hereby agrees, and the Shareholders shall agree in the Shareholder Lockup, Tag Along and Voting Agreement, to undertake necessary actions in accordance with applicable Law to cause the effect of such issuance of Shareholder Earnout Shares to be nullified.

Section 5. New Section 5.9. A new Section 5.9 is added to the Contribution Agreement immediately following Section 5.8 of the Contribution Agreement as follows:

“Earnout Issuances. The Parties agree that Videocon d2h shall issue to the Sponsor 5,200,000 Shares to be represented by 1,300,000 Videocon d2h ADSs (as adjusted for splits, dividends, reorganizations, recapitalizations and the like) increasing ratably to a maximum of 8,000,000 Shares to be represented by 2,000,000 Videocon d2h ADSs (as adjusted for splits, dividends, reorganizations, recapitalizations and the like), based on the applicable actual Contribution Amount contributed by SEAC to Videocon d2h pursuant to Section 1.2(a) of this Agreement, as part of the bonus issue contemplated under Section 1.1(c) as follows: (i) upon satisfaction of the Initial Performance Hurdle, 50% of such Shares (and corresponding Videocon d2h ADSs) shall be issued by Videocon d2h to the Sponsor and (ii) upon satisfaction of the Subsequent Performance Hurdle, the remaining 50% of such Shares (and corresponding Videocon d2h ADSs) shall be issued by Videocon d2h to the Sponsor (the Shares referred to in clauses (i) and (ii) above, collectively, the “Sponsor Earnout Shares”); provided, however, that in the event that prior to the satisfaction of the Initial Performance Hurdle and/or the Subsequent Performance Hurdle, Videocon d2h files a draft red herring prospectus with the Securities and Exchange Board of India for an initial public offering of Videocon d2h in India, the Shares (and corresponding Videocon d2h ADSs) issuable pursuant to this Section 5.9 shall be issued prior to filing of such draft red herring prospectus, so long as such Sponsor Earnout Shares may not be directly or indirectly sold, transferred, pledged or hedged as further set forth in the Sponsor Lockup Agreement and, provided however, that in the event that the Initial Performance Hurdle and/or Subsequent Performance Hurdle are not subsequently satisfied, Videocon d2h hereby agrees, and the Sponsor shall agree in the Sponsor Lockup Agreement, to undertake necessary actions in accordance with applicable Law to cause the effect of such issuance of Sponsor Earnout Shares to be nullified; provided further, however, that if for any reason, Videocon d2h shall not be permitted to issue such Shares and/or ADSs, Videocon d2h shall make such other issuances to the Sponsor that would result in the Sponsor receiving the same economic rights, benefits and privileges it otherwise would have been entitled to had the issuances of the Shares and/or ADSs contemplated by this Section 5.9 had been made.”

Section 6. Amendment to Section 6.1(r). Section 6.1(r) of the Contribution Agreement is hereby deleted in its entirety and replaced with the following:

“(r) Videocon d2h shall have adopted a stock option plan, in accordance with applicable law, and shall have granted to Mr. Saurabh Dhoot stock options exercisable to receive 2,800,000 Shares, which is equivalent to 700,000 Videocon d2h ADSs, with 50% of such options vesting and becoming exercisable upon satisfaction of the Initial Performance Hurdle and the remaining 50% of such option vesting and becoming exercisable upon satisfaction of the Subsequent Performance Hurdle;

Section 7. “Excluded Equity Capital”. The definition of “Excluded Equity Capital” is deleted in its entirety and replaced with the following:

““Excluded Equity Capital” means, collectively, (i) the Shareholder Earnout Shares, (ii) any equity securities to be issued pursuant to the Videocon d2h Employees Stock Option Scheme 2014 (or any other scheme approved by the Board of Directors of Videocon d2h), (iii) the Sponsor Earnout Shares and (iv) any equity securities to be issued to Mr. Saurabh Dhoot as required by Section 6.1(r); provided, however, that solely for the purposes of Section 1.1(c), the reference to Fully Diluted Equity Capital shall take into account the Shareholder Earnout Shares”.

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Section 8. “Sponsor Earnout Shares”. A new definition of “Sponsor Earnout Shares” shall be inserted alphabetically into Section 9 of the Contribution Agreement as follows:

““Sponsor Earnout Shares” has the meaning set forth in Section 5.9 above.”

Section 9. Amendment to Section 10.2. Section 10.2 of the Contribution Agreement is hereby deleted in its entirety and replaced with the following:

“No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns, other than as provided in Article 7 with respect to the SEAC Indemnitees and the Videocon d2h Indemnitees, as provided in Section 5.3, as provided in Section 4.14 and that the Sponsor shall be an express third party beneficiary of Section 5.9 entitled to enforce the provisions of Section 5.9 as if a direct party hereto and avail itself of the benefits of any remedy for any breach of such provision, all to the same extent as if it were a direct party hereto; provided, however, that with respect to any SEAC Distribution Record Holder of SEAC who is a SEAC Indemnitee, any rights or remedies available to such SEAC Distribution Record Holder under the terms of this Agreement may only be enforced by the SEAC Agent acting in accordance with Section 10.17.”

Section 10. Effect of Amendment. Except as explicitly amended by the terms of this Amendment, the terms of the Contribution Agreement shall remain in effect and are unchanged by this Amendment.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be duly executed, all as of the day and year first above written.

VIDEOCON D2H LIMITED

By: /s/ Saurabh Pradipkumar Dhoot

Name: Saurabh Pradipkumar Dhoot

Title: Executive Director

SILVER EAGLE ACQUISITION CORP.

By: /s/ James A. Graf

Name: James A. Graf

Title: CFO

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Schedule 1.1

SEAC Distribution Record Holders Ownership Percentages

[See attached]

ANNEX B

SPONSOR LOCKUP AGREEMENT

THIS LOCKUP AGREEMENT (this “**Agreement**”) is made and entered into as of [], 2015, by and between Videocon d2h Limited, a public limited company organized under the laws of the Republic of India (“**Videocon d2h**”), and Global Eagle Acquisition LLC, a Delaware limited liability company (the “**Sponsor**”). Each capitalized term used, but not otherwise defined, herein has the respective meaning ascribed to such term in the Contribution Agreement, dated as of [], 2014, by and between Videocon d2h and Silver Eagle Acquisition Corp. (the “**Contribution Agreement**”).

In connection with the consummation of the transactions contemplated by the Contribution Agreement and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, each of the Sponsor and Videocon d2h hereby agree as follows:

1. The execution and delivery of this Agreement is a condition to the performance of the Parties’ obligations under the Contribution Agreement, including Videocon d2h causing the Depository to issue ADSs and deposit ADRs evidencing such ADSs (the “**Videocon d2h ADSs**”) for distribution in accordance with the terms of the Contribution Agreement.
2. The Sponsor hereby acknowledges and agrees that during the Lockup Period (as defined below), it shall not (A) sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Securities Exchange Act with respect to, any portion of its Videocon d2h ADSs, (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of its Videocon d2h ADSs, whether any such transaction is to be settled by delivery of Videocon d2h ADSs or such other securities, in cash or otherwise, or (C) publicly announce any intention to effect any transaction specified in clause (A) or (B). As used herein, the term “**Lockup Period**” means the period beginning on the Closing Date and ending on the earlier of the date: (a) that is twelve (12) months following the Closing Date, or earlier if (x) the Initial Performance Hurdle is achieved, transfers of fifty percent (50%) of its Videocon d2h ADSs will be permitted, or (y) the Subsequent Performance Hurdle is achieved, transfers of the remaining fifty percent (50%) of its Videocon d2h ADSs will be permitted, (b) Videocon d2h consummates a liquidation, merger, exchange of stock or other similar transaction that results in all of the equityholders of Videocon d2h (including holders of the Videocon d2h ADSs) having the right to exchange their equity securities for cash, securities or other property and (c) Videocon d2h consummates an initial public offering of its equity shares in India with such shares listed on a recognized stock exchange in India.
3. Notwithstanding the provisions of paragraph 2 above, the Sponsor may transfer its Videocon d2h ADSs:
 - (a) to any Affiliate of the Sponsor;
 - (b) by gift or other transfer to a member of one of the members of the Sponsor’s immediate family or to a trust, corporation, partnership or limited liability company established for estate planning purposes, the beneficiaries, stockholders, partners or members of which are members of one of the members of the Sponsor’s immediate family or a charitable organization;
 - (c) by virtue of the laws of Delaware or the Sponsor’s organizational documents upon dissolution the Sponsor;
 - (d) pursuant to a qualified domestic relations order;
 - (e) to any of the current or former directors or officers of Silver Eagle Acquisition Corp.;
 - (f) to any of the members or managers of the Sponsor or any family members or Affiliates of such members or managers; or

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(g) to Videocon d2h in connection with any redemption, repurchase, acquisition, exchange, tender offer or otherwise of Videocon d2h ADSs in the event that the holders of the Videocon d2h ADSs (other than the Sponsor) fail to sell a sufficient number of Videocon d2h ADSs in connection with any such redemption, repurchase, acquisition, exchange, tender offer or other similar transaction; provided, however, that, in the case of clauses (a) through (f), such permitted transferee(s) become(s) bound by the transfer restrictions contained herein.

4. The Sponsor hereby represents and warrants to Videocon d2h that it has full power and authority to enter into this Agreement.

5. This Agreement constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and supersedes all prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof or the transactions contemplated hereby. This Agreement may not be changed, amended, modified or waived as to any particular provision, except by a written instrument executed by all parties hereto.

6. No party hereto may assign this Agreement or any of its rights, interests, or obligations hereunder without the prior written consent of the other parties. Any purported assignment in violation of this paragraph shall be void and ineffectual and shall not operate to transfer or assign any interest or title to the purported assignee. This Agreement shall be binding on each party's respective successors, heirs, personal representatives and assigns.

7. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflicts of law principles that would result in the application of the substantive laws of another jurisdiction, except to the extent that the Laws of another jurisdiction would be mandatorily applicable to the transactions contemplated hereby. The parties hereto agree that Section 10.15 of the Contribution Agreement is hereby incorporated by reference into this Agreement and shall apply mutatis mutandis as if set forth herein in its entirety.

8. Any notice, consent or request to be given in connection with any of the terms or provisions of this Agreement shall be in writing and shall be sent by express mail or similar private courier service, by certified mail (return receipt requested), by hand delivery, or by electronic or facsimile transmission, to the address or facsimile number indicated on the books and records of Videocon d2h or such other address as a party shall subsequently provide. Copies of any notice, consent or request given in connection with any of the terms or provisions of this Agreement shall also be provided to SEAC's Agent at the address specified in the Contribution Agreement.

9. This Agreement may not be amended without the written approval of the parties hereto.

* * * * *

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IN WITNESS WHEREOF, the parties have executed this Lockup Agreement on the date first written above.

VIDEOCON D2H LIMITED

By: _____
Name:
Its:

GLOBAL EAGLE ACQUISITION LLC

By: _____
Name:
Its:

ANNEX C

SHAREHOLDER LOCKUP TAG ALONG AND VOTING AGREEMENT

THIS LOCKUP, TAG ALONG AND VOTING AGREEMENT (this “**Agreement**”) is made and entered into as of [], 2015, by and among Silver Eagle Acquisition Corp., a Delaware corporation (“**SEAC**”), and the other Persons listed as shareholders of Videocon d2h on the signature pages hereto (each such other Person, individually, a “**Shareholder**” and, collectively, the “**Shareholders**”). Each capitalized term used, but not otherwise defined, herein has the respective meaning ascribed to such term in the Contribution Agreement, dated as of [], 2014, by and between Videocon d2h Limited, a public limited company organized under the laws of the Republic of India (“**Videocon d2h**”), and SEAC (the “**Contribution Agreement**”).

In connection with the consummation of the transactions contemplated by the Contribution Agreement and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, each of the Shareholders and SEAC hereby agree as follows:

1. The execution and delivery of this Agreement is a condition to the performance of the Parties’ obligations under the Contribution Agreement, including Videocon d2h causing the Depository to issue ADSs and deposit ADRs evidencing such ADSs (the “**Videocon d2h ADSs**”) for distribution in accordance with the terms of the Contribution Agreement.

2. Each of the Shareholders hereby acknowledges and agrees that during the Lockup Period (as defined below), it shall not (A) sell, offer to sell, contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of, directly or indirectly, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Securities Exchange Act with respect to, any portion of the Shares (as defined below), (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of the Shares, whether any such transaction is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (C) publicly announce any intention to effect any transaction specified in clause (A) or (B). As used herein, the term (i) “**Lockup Period**” means the period beginning on the Closing Date and ending on the earlier of the date: (a) that is twelve (12) months following the Closing Date, or earlier if (x) the Initial Performance Hurdle is achieved, transfers of fifty percent (50%) of the Shares will be permitted (pro rata among the Shareholders), or (y) the Subsequent Performance Hurdle is achieved, transfers of the remaining fifty percent (50%) of the Shares (pro rata among the Shareholders) will be permitted, (b) Videocon d2h consummates a liquidation, merger, exchange of stock or other similar transaction that results in all of the equityholders of Videocon d2h (including holders of the Videocon d2h ADSs) having the right to exchange their equity securities for cash, securities or other property and (c) Videocon d2h consummates an initial public offering of its equity shares in India with such shares listed on a recognized stock exchange in India and (ii) “**Shares**” means all of the equity shares or other share capital of Videocon d2h (in whatever form) owned by the Shareholders.

3. Notwithstanding the provisions of paragraph 2 above, the Shareholders may:

(i) transfer the Shares:

(a) to the family members or any Affiliate of such Shareholder;

(b) by gift or other transfer to a member of a Shareholder’s immediate family or to a trust, corporation, partnership or limited liability company established for estate planning purposes, the beneficiaries, stockholders, partners or members of which are members of such Shareholder’s immediate family or a charitable organization;

(c) by virtue of laws of descent and distribution upon the death of such Shareholder;

(d) pursuant to a qualified domestic relations order;

(e) to another Shareholder; or

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(f) as part of private sales or transfers of at least 50% (on a fully-diluted basis) of the outstanding share capital of Videocon d2h to a strategic purchaser (a “**Third Party Purchaser**”) in compliance with the terms and conditions of paragraph 4 below (a “**Control Sale**“); or

(ii) create, grant or maintain one or more pledges over up to 80% of the Shares in favor of any person; provided, however, that, in the case of sub-clauses (a) through (f) of clause (i), such permitted transferee(s) become(s) bound by the transfer restrictions contained herein.

In the event that more than 80% of the Shares held by the Shareholders are pledged to creditors as of the Closing Date, the Shareholders shall use their best efforts to cause any security interest granted pursuant to such pledge(s) to be released as soon as practicable following the Closing Date, and in any event, within thirty (30) days following the Closing Date so that no more than 80% of the Shares held by the Shareholders remain pledged in accordance with clause (ii) above.

4. If the Shareholders propose to engage in a Control Sale, as a condition to such Control Sale, the selling Shareholders shall require the Third Party Purchaser to make a tender offer to purchase, in accordance with applicable securities laws, rules and regulations, and at the same price per share underlying the Videocon d2h ADSs as it proposes to pay in the Control Sale, a number of Videocon d2h ADSs from the holders of Videocon d2h ADSs equal to: (i) the number of Shares to be sold by the Shareholders to the Third Party Purchaser divided by the total number of Shares held by the selling Shareholders; multiplied by (ii) the number of outstanding Videocon d2h ADSs. The obligations of the Shareholders under this paragraph 4 shall terminate upon the Shareholders ceasing to own 50% (on a fully-diluted basis) of the outstanding share capital of Videocon d2h.

5. Each of the Shareholders hereby represents and warrants to SEAC that it has full power and authority to enter into this Agreement.

6. To the extent permitted by applicable laws, rules and regulations, each of the Shareholders agrees to vote (and otherwise take all actions so as to be counted for the purposes of determining the presence of a quorum), or cause to be voted, all Shares owned by such Shareholder, or over which such Shareholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each annual or extraordinary meeting of equity holders at which an election of directors is held, each of Harry Sloan and Jeff Sagansky shall be elected to and remain on the Board of Directors of Videocon d2h for a period of no less than three (3) years following the Closing Date. Each of the Shareholders also agrees to vote (and otherwise take all actions so as to be counted for the purposes of determining the presence of a quorum), or cause to be voted, all Shares owned by such Shareholder, or over which such Shareholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that: (i) no director elected pursuant to the above may be removed from office, other than for Cause (as defined below); and (ii) any vacancies created by the resignation, removal (other than for Cause) or death of a director elected pursuant to the above shall be filled by such director’s respective alternate director or other designee. All Shareholders agree to execute any written consents required to perform the obligations of this paragraph 6. As used herein, the term “**Cause**” means where any director appointed to the Board of Directors as above, (i) fails to satisfy the qualification requirements for serving as a director; or (ii) becomes eligible for disqualification as a director; or (iii) fails to comply with his duties as a director; or (iv) if his office as a director is automatically vacated; in each case, in terms of the Companies Act, 2013 (together with applicable rules framed thereunder).

7. This Agreement constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and supersedes all prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof or the transactions contemplated hereby. This Agreement may not be changed, amended, modified or waived as to any particular provision, except by a written instrument executed by all parties hereto.

8. No party hereto may assign this Agreement or any of its rights, interests, or obligations hereunder without the prior written consent of the other parties. Any purported assignment in violation of

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this paragraph shall be void and ineffectual and shall not operate to transfer or assign any interest or title to the purported assignee. This Agreement shall be binding on each party's respective successors, heirs, personal representatives and assigns.

9. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflicts of law principles that would result in the application of the substantive laws of another jurisdiction, except to the extent that the Laws of another jurisdiction would be mandatorily applicable the transactions contemplated hereby. The parties hereto agree that Section 10.15 of the Contribution Agreement is hereby incorporated by reference into this Agreement and shall apply *mutatis mutandis* as if set forth herein in its entirety.

10. Any notice, consent or request to be given in connection with any of the terms or provisions of this Agreement shall be in writing and shall be sent by express mail or similar private courier service, by certified mail (return receipt requested), by hand delivery, or by electronic or facsimile transmission, to the address or facsimile number indicated on the books and records of Videocon d2h or such other address as a party shall subsequently provide. Copies of any notice, consent or request given in connection with any of the terms or provisions of this Agreement shall also be provided to SEAC's Agent at the address specified in the Contribution Agreement.

11. This Agreement may not be amended without the written approval of the parties hereto.

12. This Agreement shall not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and permitted assigns except that (A) the holders of the Videocon d2h ADSs from time to time are express third party beneficiaries of paragraphs 2 and 4 of this Agreement, entitled to (i) enforce the provisions of paragraphs 2 and 4 hereof as if direct parties hereto and (ii) avail themselves of the benefits of any remedy for any breach of such provisions, all to the same extent as if they were direct parties hereto; provided, however, that any rights or remedies available to such holders of the Videocon d2h ADSs under the terms of this Agreement may only be enforced by the SEAC Agent and (B) each of Harry Sloan and Jeff Sagansky are express third party beneficiaries of paragraph 6 of this Agreement, entitled to (i) enforce the provisions of paragraph 6 hereof as if direct parties hereto and (ii) avail themselves of the benefits of any remedy for any breach of such provisions, all to the same extent as if they were direct parties hereto.

* * * * *

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IN WITNESS WHEREOF, the parties have executed this Lockup, Tag Along and Voting Agreement on the date first written above.

SILVER EAGLE ACQUISITION CORP.

By: _____
Name:
Its:

SHAREHOLDERS:

[Signature blocks to be provided]

ANNEX D

**PLAN OF DISSOLUTION OF
SILVER EAGLE ACQUISITION CORP.**

This Plan of Dissolution is intended to constitute a plan of distribution under Section 281(b) of the General Corporation Law of the State of Delaware (the “DGCL”) and to accomplish the complete liquidation and dissolution of Silver Eagle Acquisition Corp., a Delaware corporation (the “Company”), in accordance with the DGCL.

1. *Approval of Plan.* The Board of Directors of the Company (the “Board”) adopted this Plan of Dissolution on [] and presented it to the Company’s stockholders for approval. Once approved by the requisite vote of the Company’s stockholders, the Plan of Dissolution shall be effective.

2. *Certificate of Dissolution.* Subject to Section 15 hereof, after the stockholders approve the dissolution of the Company and at such time as the Board deems appropriate, the Company shall file with the Secretary of State of the State of Delaware a certificate of dissolution (the “Certificate of Dissolution”) in accordance with the DGCL (the time of such filing, or such later effective time as stated therein, the “Dissolution Date”).

3. *Cessation of Business Activities.* After the Dissolution Date, the Company shall not engage in any business activities except to the extent necessary to preserve the value of its assets, wind up its business and affairs, and distribute its assets in accordance with this Plan of Dissolution.

4. *Dissolution Process.*

From and after the Dissolution Date, the Company (or any successor entity of the Company) shall proceed, in a timely manner, to liquidate the Company and distribute the assets of the Company in accordance with the procedures set forth in Section 281(b) of the DGCL. In this respect, the Company:

(a) shall, pursuant to Section 281(b)(i) of the DGCL, pay or make reasonable provision to pay all claims and obligations, including all contingent, conditional or unmatured contractual claims known to the Company;

(b) shall, pursuant to Section 281(b)(ii) of the DGCL, make such provision as will be reasonably likely to be sufficient to provide compensation for any claim against the Company which is the subject of a pending action, suit or proceeding to which the Company is a party;

(c) shall, pursuant to Section 281(b)(iii) of the DGCL, make such provision as will be reasonably likely to be sufficient to provide compensation for claims that have not been made known to the Company or that have not arisen but that, based on facts known to the Company, are likely to arise or to become known to the Company within ten (10) years after the Dissolution Date; and

(d) shall, after the payments are made pursuant to clauses (a) – (c) above, if there are any assets remaining, distribute to its stockholders, in accordance with the liquidation preferences of the Company’s Amended and Restated Certificate of Incorporation, as amended through the Dissolution Date, all remaining assets, including all available cash, including the cash proceeds of any sale, exchange or disposition, except such cash, property or assets as are required for paying or making reasonable provision for the claims and obligations of the Company.

Such claims or obligations as provide in clauses (a) – (c) above shall be paid in full and any such provision for payment shall be made in full if there are sufficient assets. If there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority, and, among claims of equal priority, ratably to the extent of assets available therefor. Any remaining assets shall be distributed to the stockholders of the Company in accordance with the provisions of the Company’s Amended and Restated Certificate of Incorporation. Such distribution as provided in clause (d) may occur all at once or in a series of distributions and shall be in cash or assets, in such amounts, and at such time or times, as the Board in its absolute discretion, may determine. If and to the extent deemed necessary, appropriate or desirable by the Board, in its absolute discretion, the Company may establish and set aside a reasonable amount of cash and/or property to satisfy claims against the Company, including, without limitation, tax obligations, all expenses

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related to the sale of the Company's property and assets, all expenses related to the collection and defense of the Company's property and assets, and the liquidation and dissolution provided for in this Plan of Dissolution.

Notwithstanding anything contained herein to the contrary, the Company (or any successor entity of the Company) may opt to wind-up the affairs of the Company in accordance with the procedures set forth in Sections 280 and 281(a) of the DGCL.

5. Liquidating Trust. If deemed advisable by the Board, in its absolute discretion and for any reason (and in particular in order to effect a timely dissolution and liquidation), the Company may, following the filing of the Certificate of Dissolution, transfer its assets to one or more trusts established for the benefit of the Company's stockholders, subject to the claims of the Company's creditors or directly for the benefit of certain creditors. Any trustees appointed as provided in the preceding sentence shall succeed to all right, title and interest of the Company of any kind and character with respect to such transferred assets and, to the extent of the assets so transferred and solely in their capacity as trustees, shall assume all of the liabilities and obligations of the Company, including, without limitation, any unsatisfied claims and unascertained or contingent liabilities. Thereafter, these assets will be sold or distributed on terms approved by the trustees. The Board is authorized to appoint one or more trustees of the liquidating trust and to cause the Company to enter into a liquidating trust agreement with the trustee(s) on such terms and conditions as may be approved by the Board. Stockholder approval of the Plan of Dissolution will also constitute approval of any such appointment and any liquidating trust agreement. In the event that a liquidating trust is established, then the references to the Board in this Plan of Dissolution shall also include the trustee(s) appointed by the Board.

6. Cancellation of Stock. The Company's distributions to stockholders pursuant to this Plan of Dissolution shall be deemed to be made in full payment in exchange for all of the Company's issued and outstanding shares of its capital stock. From and after the Dissolution Date, and subject to applicable law, each holder of shares of capital stock of the Company shall cease to have any rights in respect thereof, except the right to receive distributions, if any, pursuant to and in accordance with Section 4 hereof. As a condition to receipt of any liquidating distribution, the Board, in its absolute discretion, may require the stockholders to (i) surrender their certificates evidencing the capital stock to the Company or its agents for recording of such distributions thereon, or (ii) furnish the Company with evidence satisfactory to the Board of the loss, theft or destruction of their certificates evidencing the capital stock, together with such surety bond or other security or indemnity as may be required by and satisfactory to the Board.

7. Trading of Company Securities. The Company will close its securities transfer books on the Dissolution Date and, at such time, cease recording securities transfers (other than transfers by will, intestate succession or operation of law) and issuing securities certificates (other than replacement certificates). Accordingly, it is expected that trading in the Company's securities will close on that date. The Company will notify the OTCQB to cease quotation of Company securities on and after the Dissolution Date.

8. Conduct of the Company Following Approval of the Plan. Under the DGCL, dissolution is effective upon the filing of a Certificate of Dissolution with the Secretary of State of the State of Delaware or upon such future effective date as may be set forth in the Certificate of Dissolution. Section 278 of DGCL provides that a dissolved corporation continues to exist for three (3) years after the Dissolution Date, or for such longer period as the Court of Chancery shall in its discretion direct, for purposes of prosecuting and defending suits by or against the corporation and enabling it to settle and close its business and dispose of and convey its remaining assets, but not for the purpose of continuing the business of the corporation for which the corporation was organized. With respect to any action, suit or proceeding begun by or against the corporation either prior to or within 3 years after the date of its expiration or dissolution, the action shall not abate by reason of the dissolution of the corporation; the corporation shall, solely for the purpose of such action, suit or proceeding, be continued as a body corporate beyond the 3-year period and until any judgments, orders or decrees therein shall be fully executed, without the necessity for any special direction to that effect by the Court of Chancery. The powers of the directors continue during this time period in order to allow them to take the necessary steps to wind-up the affairs of the corporation.

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9. *Absence of Appraisal Rights.* Under Delaware law, the Company's stockholders are not entitled to appraisal rights for their shares of capital stock in connection with the transactions contemplated by the Plan of Dissolution.

10. *Abandoned Property.* If any distribution to a stockholder cannot be made, whether because the stockholder cannot be located, has not surrendered certificates evidencing the capital stock as required hereunder or for any other reason, the distribution to which such stockholder is entitled shall be transferred, at such time as the final liquidating distribution is made by the Company, to the official of such state or other jurisdiction authorized by applicable law to receive the proceeds of such distribution. The proceeds of such distribution shall thereafter be held solely for the benefit of and for ultimate distribution to such stockholder as the sole equitable owner thereof and shall be treated as abandoned property and escheat to the applicable state or other jurisdiction in accordance with applicable law. In no event shall the proceeds of any such distribution revert to or become the property of the Company.

11. *Stockholder Consent to Sale of Assets.* Adoption of this Plan of Dissolution by the requisite vote of the outstanding capital stock of the Company shall constitute the approval of the stockholders of the sale, exchange or other disposition in liquidation of some or all of the remaining property and assets of the Company, whether such sale, exchange or other disposition occurs in one transaction or a series of transactions, and shall constitute ratification of all contracts for sale, exchange or other disposition that are conditioned on adoption of this Plan of Dissolution.

12. *Compensation.* The Board does not intend to receive salary or benefits from the Company after the Dissolution Date. However, in connection with and for the purpose of implementing and assuring completion of this Plan of Dissolution, the Company may, in the absolute discretion of the Board, pay the Company's officers, employees, agents and representatives, or any of them, compensation or additional compensation above their regular compensation, including pursuant to severance and retention agreements, in money or other property, in recognition of the extraordinary efforts they, or any of them, will be required to undertake, or actually undertake, in connection with the implementation of this Plan of Dissolution. For the purpose of effecting the dissolution of the Company, the Company may hire or retain, at the discretion of the Board, such employees, consultants and advisors as the Board deems necessary or desirable to supervise or facilitate the dissolution and winding up of the Company. Adoption of this Plan of Dissolution by the requisite vote of the outstanding capital stock of the Company shall constitute the approval of the Company's stockholders of any such employment and of the payment of any such compensation.

13. *Indemnification.* The Company shall continue to indemnify its officers, directors, employees, agents and liquidating trustee in accordance with its certificate of incorporation, bylaws and any contractual arrangements and applicable law for actions taken in connection with the Plan of Dissolution and the winding up of the Company's affairs. Any liquidating trust the Board approves pursuant to the Plan of Dissolution shall also indemnify its trustees, employees, agents and representatives to the maximum extent permissible by law, but in no event greater than the extent the Company may currently indemnify its officers, directors, employees, agents and representatives. The Company shall maintain its current directors' and officers' insurance policy through the Dissolution Date and obtain runoff coverage for at least an additional six years after filing the Certificate of Dissolution. The Board or any trustee, as applicable, in its absolute discretion is authorized to obtain and maintain insurance as may be necessary appropriate or advisable to cover such indemnification obligations.

14. *Expenses of Dissolution.* In connection with and for the purposes of implementing and assuring completion of this Plan of Dissolution, the Company may, in the absolute discretion of the Board, pay any brokerage, agency, professional and other fees and expenses of persons rendering services to the Company in connection with the collection, sale, exchange or other disposition of the Company's property and assets and the implementation of this Plan of Dissolution.

15. *Authorization.* The Board is hereby authorized, without further action by the stockholders, to do and perform or cause the officers of the Company, subject to approval of the Board, to do and perform, any and all acts, and to make, execute, deliver or adopt any and all agreements, resolutions, conveyances, certificates and other documents of every kind that are deemed necessary, appropriate or desirable, in the absolute discretion of the Board, to implement this Plan of Dissolution and the transaction contemplated hereby,

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including, without limiting the foregoing, all filings or acts required by any state or federal law or regulation to wind up its affairs. The Board may modify, amend or abandon this Plan of Dissolution, notwithstanding stockholder approval, to the extent permitted by the DGCL, provided that the Board will not amend or modify the Plan of Dissolution under circumstances that would require additional stockholder solicitations under the DGCL or the federal securities laws without complying with the DGCL and the federal securities laws.

ANNEX E

FORM OF AMENDMENT NO. 1 TO WARRANT AGREEMENT

THIS AMENDMENT TO THE WARRANT AGREEMENT (this “Amendment”) is made as of [], 2015, by and between Silver Eagle Acquisition Corp., a Delaware corporation (the “Company”), and Continental Stock Transfer & Trust Company, a New York corporation, as warrant agent (the “Warrant Agent”).

WHEREAS, on July 30, 2013, the Company consummated an initial public offering (the “Offering”) of units of the Company’s equity securities, each such unit comprised of one share of the Company’s common stock, par value \$0.0001 per share (“Common Stock”), and one Public Warrant (as defined below) and, in connection therewith, issued and delivered 32,500,000 warrants to public investors in the Offering (the “Public Warrants”);

WHEREAS, the Company and the Warrant Agent are parties to that certain Warrant Agreement, dated as of July 25, 2013, and filed by the Company with the United States Securities and Exchange Commission on August 5, 2013 as an exhibit to a current report on Form 8-K (the “Warrant Agreement”), which governs the Warrants (capitalized terms used herein, but not otherwise defined herein, shall have the meanings given to such terms in the Warrant Agreement);

WHEREAS, on December 31, 2014, the Company and Videocon d2h Limited, a public limited company organized under the laws of the Republic of India, entered into a Contribution Agreement (as amended from time to time, the “Contribution Agreement”);

WHEREAS, the Company and the Warrant Agent seek to amend the Warrant Agreement to provide that, upon the consummation of the transactions contemplated by the Contribution Agreement (the “Transaction”), all of the Public Warrants will be exchanged for cash in the amount of \$1.00 per Public Warrant; and

WHEREAS, pursuant to Section 9.8 of the Warrant Agreement, the Company has obtained the consent of at least 65% of the Registered Holders of the outstanding Public Warrants to this Amendment.

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. *Amendment of Warrant Agreement.*

1.1. Section 6 of the Warrant Agreement is hereby amended and restated in its entirety to read in full as follows:

“6. Mandatory Exchange of Public Warrants Upon Consummation of Transaction. Notwithstanding anything contained in this Warrant Agreement to the contrary, upon the consummation of the transactions contemplated by that certain Contribution Agreement (as amended from time to time, the “Contribution Agreement”), dated December 31, 2014, between the Company and Videocon d2h Limited, a public limited company organized under the laws of the Republic of India (collectively, the “Transaction”), each Public Warrant issued and outstanding immediately prior to the consummation of the Transaction shall, automatically and without any action by the Registered Holder thereof, or any prior notice by the Company, be exchanged and deemed transferred by such Registered Holder to the Company, in consideration for the right to receive payment of cash in the amount of \$1.00 per Public Warrant (the “Consideration”) to be delivered to such Registered Holder by or at the direction of the Company as soon as reasonably practicable, and such Registered Holder shall cease to have any rights with respect to the Public Warrants other than the right to receive the Consideration.”

2. *Miscellaneous Provisions.*

2.1. *Effectiveness of Amendment.* Each of the parties hereto acknowledges and agrees that the effectiveness of this Amendment shall be expressly subject to the consummation of the Transaction and shall automatically be terminated and shall be null and void if the Contribution Agreement shall be terminated.

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- 2.2.*Successors.* All the covenants and provisions of this Amendment by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their permitted respective successors and assigns.
- 2.3.*Severability.* This Amendment shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Amendment or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Amendment a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.
- 2.4.*Applicable Law.* The validity, interpretation and performance of this Amendment shall be governed in all respects by the laws of the State of New York, without giving effect to conflict of laws.
- 2.5.*Counterparts.* This Amendment may be executed in any number of original or facsimile counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.
- 2.6.*Effect of Headings.* The section headings herein are for convenience only and are not part of this Amendment and shall not affect the interpretation thereof.
- 2.7.*Entire Agreement.* The Warrant Agreement, as modified by this Amendment, constitutes the entire understanding of the parties and supersedes all prior agreements, understandings, arrangements, promises and commitments, whether written or oral, express or implied, relating to the subject matter hereof, and all such prior agreements, understanding, arrangements, promises and commitments are hereby canceled and terminated.

[Signature page follows]

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

SILVER EAGLE ACQUISITION CORP.

By: _____
Name: James A. Graf
Title: Vice President, Chief Financial Officer, Treasurer and Secretary

CONTINENTAL STOCK TRANSFER & TRUST COMPANY, as Warrant Agent

By: _____
Name:
Title:

[Signature Page to Amendment to the Warrant Agreement]

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers.

In terms of the Companies Act, 2013 and provisions of Videocon d2h's articles of association, its officers (including its directors) are indemnified out of its assets against any liability incurred by such officer in defending any proceedings, whether civil or criminal, where the judgment is delivered in favor of such officer or pursuant to which such officer is acquitted by a competent court. [The terms of the service contracts with the executive director and [•] provide that Videocon d2h shall indemnify and keep such persons indemnified from and against all claims, demands, actions, suits and proceedings, penalties and punitive damages, attorney's fees and such reasonable expenses arising out of any claim/litigation whatsoever that may be brought or made against such persons in relation to performance of duties assigned or arising out of natural course of its business].

The Indian Companies Act also provides that where any insurance is taken by a company on behalf of its executive directors, chief executive officer, chief financial officer or company secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel; provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Item 21. Exhibits and Financial Statement Schedules.

- (a) The exhibits filed as part of this registration statement are listed in the index to exhibits immediately following the signature page to this registration statement, which index to exhibits is incorporated herein by reference.
- (b) The financial statements filed as part of this registration statement are listed in the index to the financial statements immediately preceding such financial statements, which index to the financial statements is incorporated herein by reference.

The financial statements of Silver Eagle Acquisition Corp. as of December 31, 2013, and for the period from April 11, 2013 (inception) through December 31, 2013 included in this proxy statement/prospectus have been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in this registration statement. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements of Videocon d2h Limited as of March 31, 2014, and for the years ended March 31, 2014 and 2013, included in this proxy statement/prospectus have been audited by Khandelwal Jain & Co., an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in this registration statement. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

Item 22. Undertakings.

- (a) The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

- (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the

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changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the “Calculation of Registration Fee” table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other Items of the applicable form.

(5) That every prospectus (i) that is filed pursuant to paragraph (4) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act of 1933 and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant’s annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan’s annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(7) (i) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10 (b), 11 or 13 of Form F-4, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(ii) To arrange or provide for a facility in the United States for purposes of responding to such requests.

(8) To file a post-effective amendment to this registration statement to include any financial statements required by Item 8.A. of Form 20-F at the start of any delayed offering or throughout a continuous offering. Financial statements and information otherwise required by Section 10(a)(3) of the Securities Act of 1933 will not be furnished; provided that the registrant includes in the prospectus, by means of a post-effective amendment, financial statements required pursuant to this paragraph and other information necessary to ensure that all other information in the prospectus is at least as current as the date of those financial statements.

(9) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

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(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Mumbai, Republic of India, on the 3rd day of March, 2015.

VIDEOCON D2H LIMITED

By: /s/ Saurabh Pradipkumar Dhoot

Name: Saurabh Pradipkumar Dhoot

Title: Executive Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Mr. Saurabh Pradipkumar Dhoot his true and lawful attorney-in-fact, with full power of substitution and resubstitution for him and in his name, place and stead, in any and all capacities to sign any and all amendments including pre- and post-effective amendments to this registration statement, any subsequent registration statement for the same offering which may be filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and pre- or post-effective amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact or his substitute, each acting alone, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Name</u>	<u>Position</u>	<u>Date</u>
<u>/s/ Saurabh Pradipkumar Dhoot</u> Saurabh Pradipkumar Dhoot	Executive Director (principal executive officer)	March 3, 2015
<u>/s/ Avanti Kumar Kanthaliya</u> Avanti Kumar Kanthaliya	Chief Financial Officer (principal financial and accounting officer)	March 3, 2015
<u>*</u> Shivratan Jeetmal Taparia	Director	March 3, 2015
<u>*</u> Pradeep Ramwilas Rathi	Director	March 3, 2015
<u>*</u> Nabankur Gupta	Director	March 3, 2015
<u>*</u> Karunchandra Srivastava	Director	March 3, 2015

*By: /s/ Saurabh Pradipkumar Dhoot
Saurabh Pradipkumar Dhoot
Attorney-in-Fact

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SIGNATURE OF AUTHORIZED REPRESENTATIVE IN THE UNITED STATES

Pursuant to the Securities Act, the undersigned, the duly authorized representative in the United States of Videocon d2h Limited, has signed this registration statement or amendment thereto in Delaware, on March 3, 2015.

Authorized Representative
Puglisi & Associates

By: /s/ Donald J. Puglisi

Name: Donald J. Puglisi
Title: Managing Director

EXHIBIT INDEX

Exhibit No.	Description
2.1	Contribution Agreement, dated December 31, 2014 and as amended as of February 3, 2015, by and between the Registrant and Silver Eagle Acquisition Corp. (included as Annex A to the proxy statement/prospectus)
3.1	Memorandum of Association
3.2	Articles of Associations
4.1	Specimen American Depositary Receipt representing equity shares of the Registrant (included as Exhibit A to the Deposit Agreement)
4.2	Form of Deposit Agreement (American Depositary Shares)
5.1	Opinion of Amarchand & Mangaldas & Suresh A. Shroff & Co. regarding the validity of the equity shares to be represented by the Videocon d2h ADSs.
8.1	Tax opinion of Amarchand & Mangaldas & Suresh A. Shroff & Co.
10.1	DTH License Agreement by and between the Registrant and the President of India acting through the Director, Broadcasting, Policy & Legislation, Ministry of Information and Broadcasting, Government of India, dated December 28, 2007.
10.2†	Ku-Band Lease Agreement by and between the Registrant and the Satellite Communication and Navigation Programme Office of the Department of Space, Government of India, dated April 19, 2012.
10.3†	Amendment No. 1 to Ku-Band Lease Agreement by and between the Registrant and the Satellite Communication and Navigation Programme Office of the Department of Space, Government of India, dated June 19, 2013.
10.4	Trademark License Agreement dated September 11, 2009 between CE India Limited (previously Videocon India Limited) and the Registrant as amended on April 1, 2013 and October 15, 2014.
10.5	Transfer Deed of Leasehold Rights for Industry dated April 25, 2008 between Videocon Industries Limited and the Registrant.
10.6	Leave and License Agreement dated October 23, 2012 between V-Techweb (India) Private Limited and the Registrant.
10.7	Loan Agreement by and between Central Bank of India and the Registrant dated February 25, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.8	Loan Agreement by and between IDBI Bank Limited and the Registrant dated January 7, 2014 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.9	Loan Agreement by and between IDBI Bank Limited and the Registrant dated January 10, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.10	Loan Agreement (in the form of a sanction letter) by and between Bank of Baroda and the Registrant dated March 5, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.11	Loan Agreement (in the form of a sanction letter) by and between Canara Bank and the Registrant dated March 7, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.12	Loan Agreement by and between Bank of India and the Registrant dated March 21, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.13	Loan Agreement by and between Union Bank and the Registrant dated April 5, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.14	Loan Agreement by and between United Bank of India and the Registrant dated May 14, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.

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<u>Exhibit No.</u>	<u>Description</u>
10.15	Loan Agreement by and between Bank of Maharashtra and the Registrant dated May 13, 2013 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.16	Loan Agreement (in the form of a sanction letter) by and between Yes Bank Limited and the Registrant dated June 28, 2014 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.17	Syndicate Term Loan Facility Agreement by and among ICICI Bank Limited (arranger), IDBI Trusteeship Services Limited (agent), Canara Bank, Karur Vysya Bank, Dena Bank, Jammu and Kashmir Bank, Syndicate Bank, and the Registrant dated December 20, 2010 in relation to which certain of the Registrant's shareholders are corporate guarantors.
10.18†	Purchase Agreement by and between the Registrant and Trend Electronics Ltd, dated March 11, 2011.
23.1	Consent of Rothstein Kass (Silver Eagle Acquisition Corp.)
23.2	Consent of Khandelwal Jain & Co. (Registrant)
23.3	Consent of Media Partner Asia Limited
24.1	Power of attorney (included as signature page)
99.1	Form of Proxy Card for Use By Stockholders of Silver Eagle Acquisition Corp.
99.2	Form of Proxy Card for Use By Holders of Warrants of Silver Eagle Acquisition Corp.
99.3	Consent of Harry E. Sloan to be named as director of Registrant
99.4	Consent of Jeff Sagansky to be named as director of Registrant

* To be filed by amendment.

† Confidential portions of this Exhibit were redacted and filed separately with the Securities and Exchange Commissions pursuant to requests for confidential treatment.

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Section 2: EX-3.1 (EXHIBIT 3.1)

MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
VIDEOCON d2h LIMITED

GOVERNMENT OF INDIA

MINISTRY OF COMPANY AFFAIRS

Maharashtra, Mumbai

Everest, 100, Marine Drive, , Mumbai - 400002, Maharashtra, INDIA

Corporate Identity Number: **U92100MH2002PLC137947**

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956 Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

The share holders of M/s BHARAT BUSINESS CHANNEL LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 05/10/2006 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Mumbai this FIRST day of NOVEMBER TWO THOUSAND SIX.

(MILIND VITTHALRAO CHAKRANARAYAN)

Registrar of Companies
Maharashtra, Mumbai

CO NO. 11-137947



कारबार प्रारम्भ करने के लिए प्रमाण-पत्र
Certificate for Commencement of Business
कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसरण में
Pursuant of Section 149 (3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

जो कम्पनी अधिनियम, 1956 क अधीन तारीख को निगमित की गई
थी और जिसने आज विहित प्ररूप में सम्यक् रूप से सत्यापित घोषणा फाइल कर दी है कि उक्त अधिनियम
की धारा 149 (1) (क) से लेकर (घ) तक/149 (2) (क) से लेकर (ग) तक की शर्तों का अनुपालन
किया गया है, कारबार प्रारम्भ करने की हकदार है।

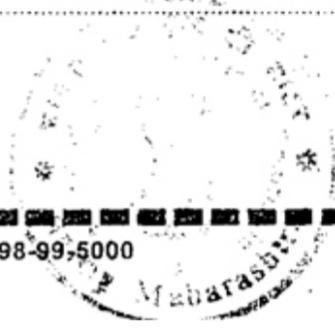
I hereby certify that the **BHARAT BUSINESS CHANNEL
LIMITED**

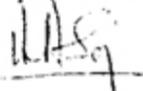
which was incorporated under the Companies Act, 1956, on the **22nd** day of
NOVEMBER 2002 , and which has this day filed a duly verified declaration in
the prescribed form that the conditions of Section 149 (1) (a) to (d)/149(2) (a) to (c) of the
said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख को
में दिया गया।

Given under my hand at **MUMBAI**

this **17th** day of **JUNE 2003** ~~one thousand nine hundred~~
and




(H.A. SOJ)
कम्पनियों का रजिस्ट्रार
ASSTT. Registrar of Companies
Maharashtra, Mumbai.

G-31/ESTT.-98-99-5000



भारुप आई आर.
Form I.R.
निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION
U 92100 MH 2002 PLC 137947

ता _____ की.सं _____

No. _____ of Date _____

मे एतद्वारा प्रमाणित करता हूँ कि आज _____

कम्पनी अधिनियम (1954 का स 1) के अधीन निगमित की गई है और कम्पनी परिसीमित है।

I hereby certify that **BHARAT BUSINESS CHANNEL LIMITED**

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

मेरे हस्ताक्षर से आज ता _____ को दिया गया।

Given under my hand at **MUMBAI** this **TWENTYSECOND**

day of **NOVEMBER** Two Thousand **TWO**.



(H.A.SOJ)

कम्पनियों का रजिस्ट्रार

ASSTT. Registrar of Companies
Maharashtra, Mumbai



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Mumbai
Everest , 100 , Marine Drive Mumbai - 400002, Maharashtra, INDIA

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): : U92100MH2002PLC137947

I hereby certify that the name of the company has been changed from BHARAT BUSINESS CHANNEL LIMITED to Videocon d2h Limited with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name BHARAT BUSINESS CHANNEL LIMITED

Given under my hand at Mumbai this First day of July Two Thousand Fourteen.

SUDHAKAR TULASHIRAM BHOYE

Assistant Registrar of Companies
Registrar of Companies
Mumbai

Mailing Address as per record available in Registrar of Companies office:

Videocon d2h Limited
Auto Cars Compound, Adalat Road,
Aurangabad - 431005,
Maharashtra, INDIA

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION OF
Videocon d2h Limited

Altered vide Special Resolution passed at the Extra Ordinary General Meeting held on 12th June 2014

- I The name of the Company is Videocon d2h Limited.
- II The Registered Office of the Company will be situated in the State of Maharashtra, within the jurisdiction of the Registrar of Companies - Maharashtra, Mumbai.
- III. The Objects for which the Company is established are :

Sub- Clause 1 of Clause III (A) altered vide Special Resolution passed at an EGM held on October 5, 2006

(A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

1. To engage in India or abroad in the business of Direct to Home TV Service in Ku Band, Broadcasting, Entertainment, Education and Information through various media including electronic, mechanical, electrical, print or otherwise and to carry on all or any of the business of theatre, music hall, concert hall, exhibitors, and to present, produce, manage, conduct and represent at any theatre, music hall, or place of amusement or entertainment and on Televisions, Computers, videos, any present or new form of Multi-Media, plays, dramas, musical and other places, shows, exhibitions, variety and other entertainment as the Company may from time to time think fit and to organize, arrange and conduct, exhibitions and shows of all kinds and to produce, trade, distribute, deal in, let on hire Feature Films, Documentary Films, Tele Film, Video Films, Educational Films, Art Films, Advertisement Film, Television Serials, Plays.

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE MAIN OBJECTS ARE:

1. To Construct, run, maintain, manage/acquire Cinema theaters, recording/editing/dubbing studios, film studios, special effects studios and carry on the business of showing and making advertisement films, documentaries, feature films, slides, video films, tele films, television serials, plays, photographs and import, export, buy, sell, manufacture exposed or unexposed films, colored or otherwise, raw materials, machinery, apparatus for the betterment of movies and photography.
2. To produce, buy, sell, import, export, or otherwise deal in television programs television films, cinematographic films, video films, video software's.
3. To set up labs and studios, theatres, processing and development facilities and to act as producers and distributors, exhibitors of feature films, video films, T.V. films, serials, advertisement films, programmes of educational, cultural, devotional, industrial, health, entertainment, family welfare, tourism, Governmental and of other subjects of interest, hirers of theatres cinemas places and halls and cinematographic shows and exhibitions and to purchase, hire or otherwise acquire any photographic or other apparatus in connection with cinematographic films and to let on hire or sell the same and to import foreign films, machinery, apparatus, cameras and to export Indian films to foreign countries and to purchase films or take on hire films from other persons and to re-let on hire the same and to acquire by purchase, lease, grant, assignment, transfer, exchange or otherwise and to erect building, cinema houses for showing and exhibiting pictures, studios, laboratories and factories.
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4. To carry on the business of designers, exporters, importers, buyers, sellers, hirers, distributors, marketers, repairers, falterers, imposers, exchangers, erectors, distributors, indentures, agents, traders, vendors, brokers, stockists, commission agents, wholesalers, retailers and dealers of and in all kinds and varieties of cameras, motion pictures, T.V. films, documentaries, cinematographic films, video cassette, medical X-ray films, Industrial X-ray films, photographic cinematographic materials, articles components and visual and vision equipments, components, aids and materials, films, accounstics and sound producing films, cinematographic cameras, video recorders and players tape recorders, video cameras, Hi-Fi sonic system, audiovisual and visions apparatus, appliances and components, musical computers, equipments, computerised musical dies and materials required for televisions, videos, broads casting, gramophones, radios, re dio grammes, tape recorders, photo films, equipments, photo studios, photography, photographic materials, photo films, film raw stocks, mounts frames, film rolls, cinema film, positives, negatives bromides, flash lighter and guns, silver chemicals, developing materials, developing chemicals and papers inpod stands, arch lights, albums, record register, sell, live or distribute ali sound records and equipments all kinds visual and vision aids whether on fiim scrolis, rolls, scan discs, or magnetic disc for reproduction, sound recording, transferring, dubbing of sound, video taping, transferring films to video, duplicating video camera, disc or any format and to edit various formats, re- recording or and to trade photographic and/or dealers in all kinds of photogoods, chemicals and solutions required for the same, appliances, accessories and materials, stained, tinted or other glasses, lenses, optical, scientific, musical or instruments, and other stationery accessories parts, articles and appliances raw film roil slitting equipment, confectioning, cotour laboratory process imported jumbo rolls and to slit jumbo imported by other.
5. To carry on the business of cine film laboratories processing, printing, developing song and sound recording, editing, screening, film production, distribution, exhibition, buying, selling and dealing in all Kinds of photo and cinematographic films of all sizes in any or all languages.
6. To engage in research relating to personnel and industrial and business management and marketing aspect and distribute information and statistics relating to any type of business or industry and to promote or propose such methods procedures and measures as may be considered desirable or beneficial for all or any of the company's objects.
7. To establish and maintain research and development station all types of Industrial technological centers, research testing laboratories, research centers, and all types of chemical technology research testing laboratories, research centers an for the purpose of improving and developing to know-how obtained an for improving new methods of manufacture of all types and varieties of oils, agro products, technology using of computer an electronic technology for the same an other factors of production to develop science an technology, electronic science, computer science technology, and arrange foreign collaboration for their aid and advise in designing, developing, manufacturing, all types of Industrial materials, electronic, electrical computer science/technology, mechanical and engineering products in connection with main objects.
8. To acquire, build, construct, alter, maintain, enlarge, demolish, remove or replace road, ways, branches or siding, bridges, reservoirs, water courses, wharves, electric works an other works and conveniences for the achievements In connection with the main objects.
9. To purchase, take on lease or tenancy or In exchange, hire, take options over or otherwise deal with an turn to account concessions, grants, decrees, licenses, privileges or claims, options, leases, personal or rights or power of any kind which may appear to be necessary or convenient for business of the Company and to purchase, charter, hire, or otherwise acquire vehicles of any or every sort of description for use on and to employ the same for the purpose of the Company,
10. To purchase or otherwise acquire on rent erect, maintain, reconstruct and adopt any building, office, showrooms, warehouses, found necessary or convenient for the purposes of the Company an also to extend he business of the Company by adding to altering, enlarging or pulling down, removing or replacing all or any of the buildings, for the time being the property or In possession of the Company and by expending from time to lime such sums money as may be necessary or expedient for the purpose of improving, adding to altering, repairing and maintaining the building, and properties for the time being of the Company.
11. To sell, exchange, mortgage, convey, assign, manage and otherwise in any other manner deal with or dispose of the property, assets or undertaking, of the Company or in any part thereof, for such consideration as the Company may think fit and in particular for shares, stocks, debentures and other securities of any other Company having objects altogether or not having objects altogether or in part similar to those of the Company.
12. To apply for and to purchase or otherwise acquire from any Government, State or Authority licenses, concessions, grants, decrees, rights, powers and privileges which may seem to the Company capable of being turned to account and to work, develop, carry out, exercise and to turn to account the same.
13. To provide for the welfare of directors or employees or ex-employees of the Company and the wives, widows, families or dependents of such persons by building or contribution to the building of house, dwelling or quarters or by grants of money, pensions, allowances, gratuities, bonus or other payments or by creating and from time to time subscribing or contributing towards places of construction and recreation, educational, hospital and dispensaries, medical and other attendance and assistance as the Company shall think fit.

14. To subscribe or contribute or otherwise assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or institution, objects or purpose or for any exhibition,
15. To establish and maintain or procure the establishment, maintenance of any contributory or non-contributory pensions or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, or emoluments to any persons, who are or were at any time in the employment or service of the Company, or who were at any time Directors or Officers of the Company and the wives, widows, families and dependents of any such persons, and also to establish and subsidies and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit or to advance the interests and well being of the Company make payments, to or towards the insurance of any such persons as aforesaid.
16. To subscribe for, take, or otherwise acquire, hold and otherwise deal with in shares, stocks, debentures or other securities of any other Company having objects altogether or in part similar to those of the Company,
17. To acquire and undertake all or any part of the business property and liabilities of any person or Company carrying on or proposing to carry on any business which the Company is authorised to carry on.
18. To amalgamate enter into partnership or into any arrangement for sharing of profits, amalgamation, union of interest, co-operation, joint venture, firm or company carrying on or engaged in or about to carry on similar business.
19. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or any such persons or companies and generally to give guarantee and indemnities.
20. To pay all the costs, charges and expenses of or incidental to the promotion, formation, registration and establishment of the Company and to remunerate by cash or allotment of full or partly paid shares to any person, firm or company for services rendered or to be rendered in introducing any property of business to the Company or in about the formation or promotion of the Company.
21. To borrow or raise or secure the payment of money or to receive money or deposit at interest for any of the purposes of the Company, and at such time to times, and in such manner as may be thought fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise including debentures or debenture-stock convertible into shares of this Company or any other Company or perpetual annuities and as securities for any such money borrowed raised or received, or of any such debenture stock so issued to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company, present or future including its uncalled capital, special assignment or otherwise or to transfer convey the same absolutely or in trust and to give the lender power of sale and other powers as may seem expedient and to purchase, redeem, or pay securities and also by a similar mortgage, charge or lien of secure and guarantee the performance for the Company or any other person of Company as the case may be provided that type Company shall not carry on business of banking as defined by the Banking Regulation Act, subject to provisions 58A and directives of Reserve Bank of India and the Rules framed there under and also subject to provisions of Chapter V of the National Housing Bank Act, 1987 and the Directions issued there under.
22. To invest surplus money of the company in and subscribe for, take, acquire and hold shares, stocks, debentures, or securities of any other Company or corporation and to invest moneys of the Company or any other securities and in any other securities and in any other manner, including the purchase of any books or other debts.
23. To pay, or satisfy the consideration for any property rights, shares, securities, or assets whatsoever which the Company is authorised to purchase or otherwise acquire, either by payment in cash or by the issue of shares, or other securities of the Company, or in such other manner as the Company may agree or partly in one mode and partly in another.
24. To apply for, promote and obtain any Act of Parliament or legislature. charter, privilege, concession. license or authorisation of any Government. State or Municipality provisional order or license of the Board of Trade or other authority for enabling the Company to carry any of the objects into effect or for effecting any modifications of the constitution of the Company or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly to prejudice the Interests of the Company.

25. To enter into any arrangement with any Government or authorities supreme, municipal, local or otherwise or any person or Company that may seem conducive to the objects of the Company or any of them, and to obtain from any such Government, authority person or company any rights, privileges, charters, contracts, licenses, and concessions which the Company may think fit desirable to obtain and to carry out, exercise and comply therewith.
26. To create any depreciation fund, reserve fund, sinking fund and insurance fund or any special or other fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company of the redemption of debentures or redeemable preference shares.
27. To establish, provide, maintain and conduct, or otherwise subsidies, assist research laboratories, and experiment workshops for scientific and technical research and experiments and to undertake and carry on which all scientific and technical researches, experiments and tests of all kinds and to promote studies and research, both scientific and technical investigations and inventions by providing for the remuneration of scientific or technical professors or teachers and by providing for awards at exhibitions, scholarships, prizes and grants to students or otherwise any generally to encourage, promote and rewards studies, researches, investigations, experiments, tests and inventions of any kind of business which the company is authorised to carry on.
28. To establish, promote or concur in establishing or promoting any Company or Companies having similar objects for the purpose and liabilities of the Company and to place or guarantee the placing or subscribe for or otherwise acquire all or any part of the said business.
29. To draw, make, accept, endorse, discount, execute, issue, negotiate, assign and otherwise deal in cheques, drafts, bills of exchange, promissory notes, hundies, debentures, bonds, bills of lading, railway receipts, warrants and all other negotiable or transferable instruments.
30. To apply for tender, national, international, purchase or otherwise acquire any contracts, sub- contracts, licenses and concession for or in relation to the objects or business herein mentioned or any of them, and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
31. To demise let out or sublet the property of the Company.
32. To open an account or accounts with any Bank or Banks or Bankers and to pay into and withdraw money from such account or accounts.
33. To carry on any business of branch of business which this company is authroised to carry on by means, or through the agency, of any subsidiary Companies and to enter into any arrangement with such subsidiary Company for taking the profits so carried on, or for financing any such subsidiary Company or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business.
34. To distribute among the members in specie any property of the Company, of any proceeds of sale or disposal and property of the company subject to provisions of Companies Act, in the event of winding up.
35. To adopt such means of making known the business of the Company as well! as the property or properties, assets and effect of the Company as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works of art or interest, by broadcasting, sky writing, bill boards, hoardings, motion and talkies, pictures, televisions, publications of books and periodicals and by granting prizes, rewards and donations.
36. To invest and deal with the surplus funds of the Company in such manner as may be required from time to time.
37. To procure the recognition of the Company in any country or state or place in India or outside India and to establish any local registers and branch place of business and to do business at such places in any part of the world.
38. To be interested in, promote and undertake the formation and establishment of similar types of business or companies having similar objects whether in india or in foreign countries as may be considered to be conducive to the profit and interest of the Company and connected with Company's business.

39. To appoint agents, sub-agents, dealers, managers, canvassers, for transacting all or any kind of business which this Company is authorised to carry on and constitute agencies of the Company in india or in any other country whatsoever.
40. To indemnify officers, directors, agents and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company or for any loss, damage or misfortunes whatever which shall happen in the execution of the duties of their office or by relation thereto.
41. To acquire from any person, firm or body-corporate or unincorporated, whether in india or elsewhere technical information, know-how, and operation data, plans, layouts, blueprints useful for the design, erection as required for any grant of license and other rights and benefits in the foregoing matters and things and to enter into collaboration agreements and to employ for engaging foreign technicians.
42. To take part in the management, supervision and control of the business or operation of any Company or undertaking having similar objects and for the purpose to appoint and remunerate any Directors, Trustees, Accountants or other experts.
43. To appoint legal and technical advisers, as directors may think fit, and to appoint bankers, auditors, and such other persons as employees, officers or agents or advisers of the Company as the Directors may think fit, and to pay out the funds of the Company the necessary expenses for the same.
44. To appear before any court and appoint legal practitioners for the Company and due, to defend, compound or refer to arbitration any cases of the Company.
45. To take part in activities of business associations, commercial, associations, chambers of commerce, trade or other association.
46. To construct a hostel for the children of the workers.
47. To build or construct huts, or grant pensions and any other payment to the employees of the Company or the dependent of such persons and to establish and support any schools or institutions calculated to benefit the employees or ex-employees or the dependents.
48. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principal or otherwise.
49. To carry out in any part of the world the Company's objects as principal, agents, factors, trustee, constructor, or otherwise either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state or government colony or dependency thereof.
50. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union Of India and in any or all states, territories, possessions, colonies and dependencies thereof and in any or all foreign countries and for this purpose to have and maintain and discontinue such number of offices and agencies therein as may be convenient.
51. To declare and distribute any or all profits of the Company among the members by way of bonus, shares, subject to the relevant provisions of the Companies Act, 1958,

(C) OTHER OBJECTS:

52. (a) To carry on in india or elsewhere the business to manufacture, fabricate, assemble, alter, brand, convert, export, import, exchange, install, produce, purchase, sale or otherwise trade, resell, barter, repair, renovate, recondition or otherwise deal in all kinds of appliances such as ceiling fans, table fans, exhausts fans, air coolers, desert coolers, washing machines, water heaters, irons, mixers, wet grinders, mixer grinders, air conditioners, ovens, microwave ovens, hot plates, hot cases, gas stoves, pressure cookers, bottle cookers, water filters, tube light fittings, lamp fittings, voltage stabilizes, refrigerators, vacuum cleaners, cooking ranges, geezers, water coolers, dish washers, heating elements, coffee makers, pizza makers, readymade kitchen cabinets, kitchennets, kitchen wares, electronic, electrical and computer controlled/managed kitchen and domestic appliances, ice making machines, deep freezers and other similar products, their components, parts, consumables, accessories, fittings, instruments, as also different electrical and electronic components, assemblies, instruments, equipments, systems, computers and its accessories, softwares, audio and video equipments and their accessories.

- (b) To carry on the business as manufacturers, merchants, importers, exporters, buyers, sellers, retailers, processors and dealers in all kinds of commodities, materials, articles and goods including Electronic and Electrical Consumer Durables, Home Appliances, Juicers, Toasters, Dish Washers, Water Purifiers, Water Coolers, Television Set, VCRs, VCPs, Radio Sets, Audio Sets, Video Sets, Computers, Color Monitors, Computer Peripherals, Audio/VCD/DVD Players, Picture Tubes, Glass Shells, Gadgets, Conductors, Capacitors, Resistors, Microprocessors and all types of components, parts, attachments, assemblies, sub assemblies and requisites therefore.
53. To carry on the business of running motors, tractors, motor lorries and motor vehicles of different kinds in place where the Company may from time to time think fit, to carry passengers and goods and to carry on the business of common carriers by land and water.
54. To carry on business and deal in or otherwise engage in repair works, painting, renovating, and otherwise render services stations, petrol pumps, garages for that purpose.
55. To process or reprocess components involving technical application of heat treatment and hard chrome plating, imparting surface resistance to engineering components such as aeronautics, automobile and general engineering goods of general use enabling these components to resist wear and treat imposed on them in their service cycle.
56. To carry on the business of manufacturers and dealers in starch made out of Jawar, Maize, Agricultural Produce and other synthetic chemicals.
57. To erect and manufacture all components and machines and equipments for electronic industries such as screen printers, punching machines, different types of furnaces, mechanical workshop, electrical laboratory, chemical laboratory, mechanical testing, laboratory measuring equipments, control equipments, assembly of micro electronic components for computers, large scale integrated circuits, televisions and wireless sets, teleprinters, industrial, control equipments for industries of Government undertaking, defense and public utility manufacture of power generation and utilisation.
58. To design and manufacture finished goods for all kinds of fiber glass for domestic, hospital, office, trade, commercial, research, civil, electrical laboratory equipment, industrial and such other and all requirements in india and abroad and to manufacture decorative products out of the same designed sheets, window panels, shutters, doors, motor accessories, fire brigade requirements, components of agricultural based industry and such other engineering appliances and furniture.
59. To carry on business in india and elsewhere, as manufacturers, dealers, importers, exporters, sellers, indenting agents, buyers, of ViZ Iron Founders, mechanical engineers, fitters, wire drawers, tool makers, enamels, electro plates, heat treaters, painters, manufacturers of machineries, tools, implements, metal workers, smiths, and metallurgists, but-welders hardening by induction hardening methods, other types of heat treatments, annealing and tempering, iron, steel, metal ware, metals, alloys, non-ferrous, ferrous metals, electric and electronic components industrial appliances, and in particular the manufacture of and fabrication of turned parts, extrusion, all types of varieties of gears press components, hearing, automobiles parts, precision tools, high tensile and ordinary fasteners, pneumatic tools and components.
60. To carry on the business of manufacturers and processors of and dealers in chemicals, chemical compounds and chemical products of any nature and dealing in polymers of all kinds, monomers, nitrocellulose, camphor, polyamides, polyphenylenes and all organise and inorganise materials.
61. To manufacture or process, reprocess and deal in all kinds of polymer products thermoplastic or thermosetting into any shape or kind whatsoever and other chemical compounds and elements of any kinds (solid, liquid, or gaseous) fine chemicals, special chemicals, dyestuffs, heavy chemicals, catalysts, synthetic, chemicals products such as rubber foam, plastic, resins including laminated resins, moulding powers, emulsions and plastic of all types and chemicals and engineering equipments for these industries.
62. To acquire, construct and operate oil miils, flour mills, metal works, various kinds of industrial furnaces kinds of any other machinery, apparatus and plants calculated to and to maintain well established, mechanical and electrical workshops for repairing or making new machinery required in the manufacture of various commodities mentioned herein.
63. To carry on the business of manufacture of and dealers in, all types of oil containers, storage and handling equipments including plastic containers, steel tanks, pipelines, pumps, safety devices, cans, metallic and wooden containers.

64. To establish and operate freezing, freezer drying dehydrating, distilling, powering, canning, metal and oil extracting and other processing plants for all marine products, fruits, nuts and vegetables and foods and materials of whatever descriptions and medicines.
65. To carry on the business of manufacture of and dealers in manures, fertilizers, phosphates, horns, hoofs, bones, and blood and all other animal products and by products greases fat, tallow, chemicals, oils, grains, seeds, beans, potash salts and acid of all descriptions, *ammonia compounds*, *liquid ammonia compounds*, *liquid ammonia*, acetone, acetate of lime, acetic acids and deal in, to refine, manipulate and deal in the raw materials used in such manufacturers and the products and by products thereof and to carry on research and synthesis hormones and to develop and manufacture other chemicals and products for plants, healthy growth and fruiting.
66. To manufacture, buy, sell, improve, treat, preserve, fine and mineralise and bottle or otherwise deal in mineral and aerated water and other liquids of every descriptions.
67. To carry on the business of exporters and Importers and in general to export and import both traditional items, industrial and household commodities, all kinds of textiles, handloom and powerloom and other garments and hosiery, all kinds of handicrafts including wood works, products of cottage industries including coir allied products ivory and metal works, cotton, cotton pieces goods, art silk, silk wool and woollen goods and articles and jute goods and all kinds of musical Instruments, and records and toys, and all kinds of sports goods and articles of leather goods and articles; and all kinds of electrical goods and equipments, all kinds of stationery, office equipments and furnitures, all kinds of engineering chemicals, chemical products, acids, salts and all kinds of medicines and, hospital equipments, all kinds of cosmetics, products and jewellery, all kinds of canned food products of every item soft drinks, syrups and dry fruits.
68. To acquire and own a printing press and to carry on the business of printers, publishers, stationers, lithographers, stereotypers, electrotypers and engravers, periodicals and book-sellers and to manufacture, type, block or other material capable of being used in printing and allied machines and sell, purchase or deal in all such materials of manufacture articles traders, and dealers in the above articles.
69. To carry on the business of advertising agents, and contractors both outdoor and in newspapers, book, screens, wells, buses, railways, carriages, to prepare advise device, manufacture and construct advertising devices and designs and to publish and advertise the same through any media whatsoever and to carry on the business or printers, publishers, decorators in connection with the general advertising business and to do any other act or carry out, any other contract for the promotion, continuance and advancement of the said business.
70. To carry on the business as manufacturers and producers of dealers in agents, Importers and exporters of traders, of battery charges, battery inventors, battery plates and all types of automobiles, accessories and components, automobile lamps and wiper and motor and seal beams.
71. To carry on the business of the dealers in consumer, durable, semi durable and non-durable and non-durable items of all types and varieties of nature of cosmetics, toiletries, provisions, furnitures, stationeries, books, textiles, furnishers, by wares, leather items and run, carry on, own general and departmental stores.
72. To carry on the business of producers, manufacturers, users, processors, buyers, sellers, importers, exporters, or otherwise deal in pharmaceutical products, manures, fertilizer, agro-chemical products of every nature and its by products, veterinary products, agro-veterinary medicinal and products of every nature to refine, manipulate and deal in the materials used in such manufacture and the products and deal materials used in such manufacture and the products and by products thereof and preparation required for all pharmaceutical, agricultural, veterinary animal husbandry products, plantation operations Industries and general purpose.
73. To carry on the business of owning and/or operating hotels, restaurants, cafes, taverns, beer houses, refreshment-rooms and as lodging house keepers, licensed victuallers, wine, beer and spirit merchants, brewers, malsters, distillers, importers and manufacturers of aerated mineral and artificial waters and other drinks, purveyors, refreshment contractors and caterers, milk and snack bar proprietors, caterers for public amusements coach, cab, carriage and motor car proprietors, livery stable keepers and garage keepers, ice and ice-cream merchants, importers and brokers of food, live and dead stock, and colonial and foreign produce of all descriptions, hair dressers, perfumers, chemists, proprietors of clubs, baths, dressing, rooms, libraries, grounds and places of amusements, recreation, sport entertainment and instruction of all kinds, tobacco and cigar merchants, agents for railway, airlines and shipping companies and theatrical and opera box office proprietors, entrepreneurs.

74. To establish and run farms for development of business of poultry in different part of india and abroad and to undertake the business of hatching eggs and raising chicks for the purpose of promoting poultry industries in India or abroad and to breed, raise, buy, sell, deal in all kinds of basic foundation stocks, breeding, stocks and commercial stocks of poultry, pure line stocks, poultry products and seeds as also to establish, develop and maintain and aid in establishing and maintaining, breeding and commercial stock of poultry, broiler breeding, seed form, breeder house, hatcheries, egg production, feed production and distributing centers, green houses and stores.
75. To manufacture, empty gelatin capsules, aluminum strips, printing, paper strip pharmaceutical equipment, pharmaceutical plant and machinery, salines, u. v. Lamps, filter pads sterile filter pads, empty bottles, ampoules, vials, pp caps, droppers.
76. To cultivate vine, vineyards orchards mango, citrus fruits, pineapple and other fruits and tomatoes and other vegetable products, cardamom, pepper, coffee, tea, rubber and paddy, and to carry on work as cultivators, buyers and sellers of every kind of vegetables or other produce of the soil, to prepare, manufacture and render marketable any such products either in its prepared, manufactured or raw state and either by wholesale or retail.
77. To carry on the business of manufacturers, producers, and also to carry on the business of formulators, prepares, buyers, sellers, importers, exporters, marketers, distributors, suppliers of or otherwise dispose off, refine, blend, process, reprocess, pack or repack, trade and generally deal in pharmaceutical, medical, medicinal products, preparations, formulations and specialties, drugs of all kinds, ayurvedic, herbal, homeopathic allopathic unani, and siddha system of medicines, veterinary products food products, restoratives, biological products food products, restoratives, biological products, minerals, medicines, and all other kinds of chemicals and their intermediates, chemical and pharmaceutical compounds preparations of substances or products and all derivatives, by-products, residual or ingredients required for the manufacture, preparation, processing or use of any of the foregoing and to manufacture, deal and trade in Surgical, Electrical Electronic, Photographic, Radiology, Anatomical, Orthopedic, Cardiac, Neurological instruments, gadgets, appliances and requisites of all descriptions and diagnostic materials, cosmetics, entences, toiletries.
78. To carry on business as producers, manufacturers, processors, converters, refiners, makers, extractors, bottlers, stockiest, dealers, importers, exporters, traders, retailers, agents, buyers or sellers of oxygen, acetylene, ammonia, nitrogen, hydrogen, coal gas, natural gas, helium and other types and kinds of gases, mineral oil, motor and aviation spirit, diesel oil, kerosene, diverse hydrocarbon oils and their blends including synthetic fuels and lubricating oils and to service, repair, manufacture, market or deal in machinery, plants, spares, cylinders, containers, gadgets, appliances and accessories required for working on, using or producing any of such gases, oils and products.
79. To carry on business of manufacture, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockiest, agents, merchants, distributors and concessionaires of and dealers in silicon carbide, ceramics, abrasives, compounds and other allied products, petrochemicals, coke oven bye-products, coal tar distillation products, tike naphthalene, antracene, benzene, phenol, and the like pthalic anhydride, asbestos, paper and special jointing materials, crucibles, cryolite, aluminum fluoride, bromine, electrodes including graphite electrodes, arc welding rods, calcined petroleum coke and kinds of minerals and their bye-products including graphite.
80. To conduct and carry on business as automobile, avaiation, agriculture, marine and general engine construction and repairing experts, engineering, metal wording and general inventors, specialist, manufacturers, patentees, operators, craftsmen, factors, agents and concessionaires in connection with all or any descriptions of automobiles, motor cars, and cycles, commercial vehicles and lorries, agricultural tractors, implements, motor boats and other machines, apparatus and appliances.
81. To manufacture, produce, prepare, deal in, export, import, purchase, sell and generally to carry on business in oxygen, dissolved acetylene, nitrogen, argon, hydrogen, carbonic acid, medical gases, fuel gases and all other kinds of gases or kindered substances, or any compounds or preparations of any nature, fertilizers and all kinds of chemicals.
82. To manufacture, import, export, let on hire and deal in all types of welding electrodes, welding and cutting equipments, transformers, dissolved acetylene lamps, generators and plants, and consumer products, salts of all nature and substance and to carry on the business of stay- makers corset makers, artificial eye limb makers, bandage makers chutches, chair and strecher makers, chemists and druggists and providers of all requisites for hospitals, patients and invalids and to manufacture and deal with powders, tablets, tonics or other mixtures of medical/medicinal valve and run medical shops, laboratories, nursing homes and diagnostic centers.

83. To manufacture, prepare, blend, pack, repack and bottle malt, diti and grain liquors and of non molasses base liquor of all types such as whisky, brandy, rum, gin, wines, liquors, liqueurs and beers of all types and generally to carry on the business of manufacturers, dealers, traders, importers, exporters of the aforesaid products and their raw materials.
84. To carry on the business as general merchants, traders in goods, commodities on ready or forward basis, commission agents, buying and selling agents, brokers, importers, exporters and act as manufacturers representatives.
85. To manufacture, import, export, buy, sell, let on hire and deal in stoves, engines, gas cylinders, valves pressure regulator and other apparatus and conveniences which may seem calculated directly or indirectly to promote the consumption of any type of gas.
86. To carry on the business of rendering, recruitment, placement and labour supply, services of all kinds in india and/or abroad and to act as recruitment agents, labour contractors for Indian and/or overseas customers and to open, provide, establish, maintain employment bureaus, employment exchange, office organisations, centres, facilities, conveniences in india or abroad and for the said purpose engage experts services and to collect, disseminate, furnish and supply requisite information.
87. To carry on business of management consultants to any type of industry, trade, business, institutions, corporations, federations State/Central Government, Financial institutions including Banks, Company, Firm and individuals in and outside the Union of india and to advise problems related to industrial management, marketing sales and distribution, management, production management, financial management, stores and inventory management, office administration and personnel selection and management, export and import management and management of every type and to collect, propose, process and distribute information and statistics related to any type of business, trade or industry and to promote or propose such methods, procedures and measures as may be considered desirable or beneficial.
88. To own, purchase, charter, hire or otherwise acquire, sell, exchange, let or otherwise deal with, operate, trade in or with steam and other ships, boats and vessels and other transports and conveyances of every description, propelled or worked, or capable of being propelled or worked, by steam, electricity petrol, oil, gas or any other motive power or power-producing substances, with all equipment and furniture, build steam and other ships and vessels and to employ the same in the carriage or conveyance by land or sea, in or between any place or places, port or ports, on any seas, rivers, canals or elsewhere, of passengers, live-stock, cargo, mails, merchandise, articles, goods and things of all kinds, between such ports and places in india or elsewhere in any part of the world, as may seem expedient, and to establish, maintain and work, lines of steam and ships and other transports and conveyances between any ports, countries or places which may seem to the Company from time to time expedient and to acquire any postal and other subsidies.
89. To carry on business as producers, importers, exporters, processors, manufacturers, buyers, sellers, distributors, stockists, agents and brokers of coal, coke, charcoal, lignite, petroleum- coke, copper, iron ore, bauxite, kyanite fire clay, chjnaciay, salt, sodium chloride, calcium phosphate, nickel beryllium, uranium, zinc, lead, asbestos, tin, alumina, mercury, silicon, sulphur, graphite, brass, aluminum, silica sand, bentonite, quartz, carborundum, manganese, mica, silver, gold, platinum, diamond, sapphire, ruby, topaz, garnet, emerald, pearl and other precious, semi-precious or commercial minerals and stones and to act as metal founders, manufacturers, agents and dealers of metals, sheet, wires, rods squares plates, metal foils, pipes, tubes, ingots, billets circles, parts, colls, utensils, ornaments decorative and art materials and jewellery made wholly or partly from any one or more of the metals and materials mentioned herein or their derivatives,
90. To carry on business as manufactures, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, stockists, buyers, sellers, agents or merchants in all kinds and forms of ferrous and non-ferrous metals, ferro alloys, iron and steel including mild, high carbon, spring, high speed, tool, alloy, stainless and special steels, iron, metals and alloys, ingots, billets, bars, joists, rods, squares, structural, tubes, poles, pipes, sheets, castings, wires, rails, rolling materials, rollers, semi manufactured and other material made wholly or partly of iron, steel, alloys and metals required in or used for industrial, defence, agricultural, transport, commercial, domestic, buildings, power transmission and or construction purposes.

91. To carry on business as manufacturers, fabricators, producers, importers, exporters, dealers, agents, stockists, retailers, traders or brokers of all kinds of foundry equipments, mould boxes, ingot moulds, material handling equipments, tools, machine tools, gadgets, accessories, spares and machinery including steam engines and turbines, internal combustion engines and other types of prime movers, industrial machinery especially for textiles, jute, rayon, sugar, tea, mining, metallurgical, cement, glass, chemicals, pharmaceutical and paper industries, general items of machinery such as equipments, for various units, processes including size reduction equipment, conveying equipment, size separation units, mixers and reactors, centrifugal machines, evaporators, distillation, equipment, crystallisers, driers, power driven pumps reciprocating centrifugal and the like, air and gas compressors and vacuum pipes, electrical furnaces, refrigeration and fire fighting equipment, high tensile, bolts and nuts, expanded metal, fishing hooks and tackle, grinding wheels, segments and media, pins and malleable castings.
92. To carry on business as iron-masters, iron founders, iron workers, steel makers, electric and blast furnace proprietors, brass founder's and metal makers, refiners and workers generally iron and steel converters smiths, tin plate makers, manufacturers of industrial, agricultural and other fittings, parts and all kinds of machineries, tools and implements boiler and steam generating plant makers and metallurgists.
93. To carry on the business of electric gas and water supply in all its branches and in particular to construct, lay down establish, fix and carry out all necessary power stations, cables, wires, lines, pipes, accumulate electrical and gas power at places for which license may be obtained and to transmit, distribute and supply such power throughout the area of supply named therein and without prejudice to the generality of the above to transmit, distribute and supply such power to and for the purpose of feeding the plants of the Company and generally to generate, develop and accumulate power at any such place and to transmit, distribute and supply such power for all lawful purposes.
94. To manufacture, export, import, buy, sell and deal in voltaic battery cells, power pack or storage batteries and battery containers and battery eliminators of different types required for or used in domestic, household, industrial, commercial, agricultural, mining, hospital, surgical or scientific, appliances, machinery, apparatus or accessories and automobile and other vehicles, aircrafts, boats, ships, defence establishments, army, navy, and air force, for wireless, radios, torches, toys, electronic equipments or otherwise and also to carry on business as manufacturers of and dealers in torches, toys, personal aids, and other appliances, working on such items and goods, which may be useful, akin or otherwise connected with any one or more of the aforesaid item or products.
95. To carry on the business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaries of and dealers in ammonium chloride, super phosphate, urea and other types of nitrate, calcium ammonium nitrate (nitroline stone) organic or inorganic or mixed fertilisers of synthetic or natural origin containing nitrogen, phosphorous or other compounds, soda ash, insecticide, PVC stabilisers, preservatives, pesticides and D.D.T. explosives, arms and ammunition, detonators and safety fuses.
96. To produce, manufacture, purchase, refine, prepare, process, import export, sell and generally deal in cement, asbestos cement, lime and limestone and by-products thereof, cement-pipes, sheet and other building materials, refractories fire-bricks, furnace lining bricks-acidic, basic and neutral insulating boards, gypsum boards, wall boards and the like.
97. To carry on the business of manufacturers, importers, exporters of and dealers in plastic footwear, rubber oil seals, 'O' rings, gaskets, high voltage insulators, mountings, bushes, paddings, floor tiles, 'V' belts, conveyer belts of all types and descriptions, children toys and any other rubber components, plastic buckets, mugs, containers and any other plastic items.
98. To manufacture and carry on the business of civil engineers, mechanical engineers, electrical engineers, environmental engineers and contractors, consultants, fabricators, dredged water purifiers, water and effluent treatment plants, machineries and appliances to control pollutions and establishing, testing laboratories, painters, carpenters, plumbers, and deal in cement, cementitious products building materials, timber, pipe fitting, pipes, sanitary ware, tools, equipments, machineries required for building constructions, quarrying mines, minerals, marbles, granites, stones, cutting and polishing of the same.
99. To develop and manage the Pre-cast, Pre-fabricated and re-enforced numbers of houses, buildings, industrial estates and parts thereof and any other types of pre-cast and pre-fabricated and pre-stressed constructions and materials and for this purpose to install factories and other plant and machineries required for and to obtain licenses and other rights for the purpose of pre-fabrication and pre-stressed and pre-cast constructions.
100. To carry on the business of manufacturers, buyers, sellers, importers, exporters, dealers, agents, merchants, distributors and stockists for all kinds of drug products, injection, syringes, hospital equipments, papers and papers of special nature pertaining to medical diagnostic items, medical diagnostic equipments, and to run nursing homes, medical diagnostic centers, hospitals.

101. To carry on the business of manufacturer, repairer, importer, exporter or otherwise dealers in furniture and fixtures made from brass, steel, fiber glass, plastics or other alloys and to carry on the business by wholesale or retail and whether manufacturing or otherwise of house furnishers, upholsters and dealers in and hirers, repairs, cleaners, stores and warehousekeepers of furniture, carpets, linoleums, furnishing fabrics and other floor coverings, household utensils, china and glass goods, fittings colorful curtains, handmade home furnishings and carpets, household requisites of all kinds and all the things capable of being used therewith or in the maintenance and repair thereof.
102. To carry on business as manufacturers, traders, importers, exporters, collaborators, representatives and dealers in typewriters, calculating machines, computers, cleaners, washing machines and vacuum pumps, sewing machines, printing machines, air conditioning equipments air conditioners, refrigerators, coolers, ice-cream manufacturing machinery and accessories, fittings, components, parts, attachments and other requisites, required therefore.
103. To carry on business as goldsmiths, silversmiths, jewelers, gem-merchants, electroplaters dress-in bag bakers and importers and exporters of bullion, and to buy, sell and deal in (wholesale or retail) precious stones, jewellery, watches, clocks, gold and silver plate, electroplate, cutlery, dressing bags, bronze, articles, or various objects of art and to establish factories for manufacturing goods for the above business.
104. To provide necessary financial assistance for comprehensive preliminary investigations, innovations and requisite working capital when these investigations, innovations and research eventuate in the establishment of industrial and commercial organisation engaged in activities related to housing on a commercial basis.
105. To carry on the business of advisers on problems relating to the administration and organisation of housing industry and the training of personnel for the housing industry and of personnel for the housing industry and of personnel consultants and of all systems of process relating to production, storage, distribution and marketing and sale of goods and/or relating to the rendering of services.
106. To engage in research into all problems relating to personnel, industrial and business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics relating to any type of business or industry related to housing.
107. To carry on the business of property owners, builders, contractors, erectors, constructors of buildings, row houses, houses, apartments, structures, or residential, office, industrial, institutional or commercial or developer of housing schemes, Row Houses, Town shops, holiday resorts, farm houses, hotels, motels and in particular preparing of building sites, construction, re-construction, erection, altering, improving, enlarging, developing, decorating, furnishing and maintaining of structures, flats, row houses, houses, factories, shops, offices, garages, warehouses, buildings, works, workshops, hospitals, nursing homes, clinics, godowns and other commercial, educational purposes and conveniences and to purchase for development, investment or for resale of lands, houses, buildings, structures and other properties for any tenure and any interest therein and purchase, sell and deal in free hold and leasehold land, properties and to make advances upon the security of lands, houses, structures and other property/properties or any interest therein and to purchase, sell, lease, hire, exchange or otherwise deal in land and house property and other property whether real or personal and to turn the same into account as may seem expedient, properties includes, stock, shares, debentures holding in the name of the Company as well as in the name of others.
108. To carry on the business of in all its aspects, to act as managers to issues and offers, whether by way of public offer or otherwise, of shares, stocks, debentures, bonds, units, participation certificates, deposits, bills, warrants or any other instruments whether or not transferable or negotiable, commercial or other paper or scrips (hereinafter collectively referred to as the 'securities') to underwrite' sub-underwrite, or to provide standby or procurement arrangements, in respect of the securities, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to provide financial and investment assistance for the purposes herein, to act as issue house, registrars to issue and transfer agents for the securities
109. To carry on the business as Securities Brokers, Share and Stock Brokers, finance and investment brokers, finance and investment brokers, sub-brokers, underwriters, sub-underwriters and consultants for and to purchase, acquire, hold, sell, buy, invest, trade, exchange, deal, barter, borrow, lend, guarantee, give, comfort for pledge, hypothecate charge and deal in investment instruments of all kinds and types whether securitised or not including shares, stocks, debentures, bonds, cumulative convertible preference shares, certificates of deposits, commercial papers, participation certificates, other securities by original subscription, coupons, warrants, options and such other derivatives, units of Unit Trust of India and other mutual funds or any other securities issued by the Companies, Governments, Corporations, Co-operatives, Firms, Trusts, Societies, Authorities whether situated in India or abroad and to carry on financial operations of all kinds including credit rating, money changers, OTC dealers, Stock Exchange Members, bought out deals, placement of shares, hedging.

110. To act as consultants, and advisors on all aspects of corporate, financial, commercial, industrial and personnel management, and to make evaluations, feasibility studies, project reports, forecast and surveys and to give expert advice and suggest ways and means for improving efficiency in concerns and industries of all kinds in India and elsewhere in the world, to recruit and/or advice on the recruitment of staff for any concern and to supply, provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of any concern.
111. To act as money changers, brokers, buyers and sellers of all foreign currencies, to take positions and to trade on the movements of foreign currencies on behalf of customers or otherwise, to hold operate and transact in foreign currencies by maintaining foreign currency bank accounts or otherwise, and to issue or act as agents for travelers cheques, credit cards and all instruments in any currency, subject to all rules, regulations and approvals as may be necessary.
112. To carry on the business of real estate and to acquire by purchase, lease, exchange, development, construction, building, erection or to demolish, re-erect, repair, remodel or otherwise deal in and make advance on the security of and deal in land, buildings, estates, dams, ports, reservoirs or any other structural or architectural work of any kind whatsoever and to otherwise deal in offices, flats, houses, bungalows, factories, godowns, warehouses, shops, cinema, theatres and other conveniences of all kinds and properties of all kinds and description.
113. To carry on in India or elsewhere the business to manufacture, assemble, fabricate, alter, acquire, convert, commercialize, dismantle, design, develop, export, import, buy, sell, let on hire, install, invent, maintain, undertake, modify, market, operate, prepare, produce, protect, promote, repair, renovate, exchange, recondition, remodel and to act as agent, broker, adatia, franchiser, stockiest, distributor, jobworker, advisor, consultant, consignor, vendor, transporter or otherwise to deal in all types of automatic, semi-automatic, manual electrical, electronic or mechanical office equipments, apparatus, tools, instruments, systems, devices, implements, articles, machines, drawings, designs, etc. whether operated by electrical power, solar power, atomic power, mechanical power or by other means of power such as reprographic equipments, or processors, microprocessors, data processors, computers, peripherals, electric and electronic typewriters, mechanical typewriters, photocopiers, telephones, intercoms, cellular phones, mobile phones, pagers, pagelinkers and their equipments and components and lending services thereof facsimile machines, zerographic equipments and products, printers, line printing sorters, duplicating machines, franking machines, desk top publishing systems, optical readers, feeders, printing machines, off set printers, stamp sealing machines, punching machines, canceling machines, openers, inserters, letter sorters, folders, microfilm reader printers, staplers, graphic films scribes, microfilming equipments, industrial cameras, sensitised papers, fax machines and other items as may be invented or discovered from time to time and their parts, fittings, accessories substitutes, attachments, components, stationeries, consumables, softwares, diskettes, ribbons.
- IV. The liability of the Members is limited.
- V. (a) The Authorised Share Capital of the Company is Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of Rs.10/- (Rupees Ten Only) each.
- (b) Paid-up Capital of the Company shall be minimum of Rs. 5 Lakhs.

Clause V. (a) altered vide Ordinary Resolution passed at Extra Ordinary General Meeting held on 6th September 2012

We the several persons whose names and addresses and descriptions are subscribed below are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the share capital of the Company set opposite of our respective names.

Name, address, description and occupation of subscriber	No. Equity Shares taken by each Subscribers	Signature of Subscribers	Signature, name, address, description and occupation of witness.
1) Mr. Venugopal Nandlal Dhoot S/o. Nandlal M. Dhoot Gangapur Gin Compound Station Road, Ahmednagar – 414 001 Occ.:Industrialist	10000 (Ten Thousand)	Sd/-	
2) Mr. Anirudh V. Dhoot S/o, Venugopal N. Dhoot Gangapur Gin Compound Station Road, Ahmednagar – 414 001 Occ.:Industrialist	39950 (Thirty Nine Thousand Nine Hundred Fifty)	Sd/-	
3) Mr. Suresh Madhava Hegde S/o. Madhava Hegde 47, Atlanta Nariman Point Mumbai – 400 021 Occ.:Service	10 (Ten)	Sd/-	
4) Mr. Atul Ashok Galande S/o. Ashok Balkrishna Galande Saumitra, Behind Savedi Naka Opp. Bhide Hospital, Savedi Ahmednagar – 414 003 Occ.: Chartered Accountant	10 (Ten)	Sd/-	
5) Mr. Vinod Kumar Bohra S/o. Kanahailalji Bohra 204, Videocon Complex, Gangapur Gin Compound Station Road, Ahmednagar – 414 001 Occ.:Service	10 (Ten)	Sd/-	

We the several persons whose names and addresses and descriptions are subscribed below are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the share capital of the Company set opposite of our respective names.

Name, address, description and occupation of subscriber	No. Equity Shares taken by each Subscribers	Signature of Subscribers	Signature, name, address, description and occupation of witness.
6) Mr. Sunil Kumar Samriya S/o. Ramswaroop Samriya 306, Videocon Complex, Gangapur Gin Compound Station Road, Ahmednagar – 414 001 Occ.:Service	10 (Ten)	Sd/-	
7) Mr. Vasant S. Kakade S/o. Shesharao Kakade 305 Videocon Complex, Gangapur Gin Compound Station Road, Ahmednagar – 414 001 Occ.:Service	10 (Ten)	Sd/-	Sd/- “Witness to All” Chandrashekhar A Nagarkar S/o. Ashok N. Nagarkar Gangapur Gin Compound, Station Road, Ahmednagar – 414 001. Occ.: Service.
Total			
	50,000 (Fifty thousand)		

Place: Ahmednagar
Date: October 7, 2002

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Section 3: EX-3.2 (EXHIBIT 3.2)

Exhibit 3.2

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
Videocon d2h Limited

- I. The Regulations contained in Table 'F' in the first Schedule of the Companies Act, 2013 shall apply to this Company to the extent which they are not modified, amended or altered by these Articles.
- II. The marginal notes hereto shall not affect the construction hereof any provision.
1. For the purposes of these Articles, in addition to the terms defined in the introduction to these Articles and in the text of these Articles, whenever used in these Articles, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

“**Act**” means the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), including wherever applicable the rules framed thereunder and the relevant provisions of the Companies Act, 1956, to the extent that such provisions have not been superseded by the Companies Act, 2013 or denotified, as the case may be. “**ADSs**” or the “**American Depositary Shares**” means the American Depositary Shares representing the Shares to be deposited or deposited by the Company with the Depository pursuant to the Contribution Agreement, which may be in certificated or uncertificated form.

“**Annual General Meeting**” means a meeting of the members held in accordance with provisions of Section 96 of the Act.

“**Articles**” or “**these Articles**” shall mean the Articles of Association of the Company for the time being in force.

“**Auditors**” means and include those persons appointed, as such for the time being, by the Company.

“**Board**” means meeting of the Directors duly called and constituted or, as the case may be, the Directors assembled at a Board or the Directors of the Company collectively.

“**Capital**” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

“**Company**” means Videocon d2h Limited.

“**Contribution Agreement**” means the contribution agreement dated as of December 31, 2014, as amended from time to time, entered into between the Company and Silver Eagle Acquisition Corp.

“**Debentures**” includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not.

“**Deposit Agreement**” means the Deposit Agreement by and between the Company and the Depositary, in the form to be agreed to by the Company and the Depositary.

“**Depositary**” means Deutsche Bank Trust Company Americas.

“**Directors**” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.

“**Dividend**” includes interim dividend.

“**Electronic mode**” means any communication by way of electronic media like tele-conferencing, video-conferencing and any other electronic media.

“**Extra Ordinary General Meeting**” mean an Extra Ordinary General Meeting of the members duly called and constituted and any adjourned meeting thereof.

“**General Meeting**” means a meeting of the Members. “**Member**” means member as defined under Section 2 (55) of the Companies Act, 2013 and the duly registered holder, from time to time, of the shares of the Company and includes every person whose name is entered as a Beneficial Owner as defined in clause (a) of Sub-section (1) of Section 2 of the Depositories Act, 1996.

“**Month**” means a calendar month.

“**Office**” means the Registered Office for the time being of the Company.

“**Paid up**” includes credited as paid-up.

“**Register of Members**” means the Register of Members to be kept pursuant to Section 88 of the Act.

“**Registrar**” means the Registrar of Companies.

“**Seal**” means the Common Seal for the time being of the Company.

“**SEBI**” means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992

“**Secretary**” means the Company Secretary appointed in pursuance of Section 203 of the Act;

“**Share**” means Share in the Capital of a Company and includes stock except where a distinction between stock and share is expressed or implied.

“**SEAC**” or “**Silver Eagle**” means Silver Eagle Acquisition Corp.

“**Sponsor**” means Global Eagle Acquisition LLC.

“**Year**” means the Calendar Year and “**Financial Year**” shall have the meaning assigned thereto by section 2(41) of the Act.

2. In these Articles,

- (i) any reference to any statute or statutory provision shall include all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);
 - (ii) any reference to the singular shall include the plural and vice-versa;
 - (iii) any references to the masculine, the feminine and the neuter shall include each other;
 - (iv) any references to a “company” shall include a body corporate;
 - (v) expressions referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form;
 - (vi) headings to Articles, Sections, parts and paragraphs of schedules and schedules are for convenience only and do not affect the interpretation of these Articles;
 - (vii) unless the context otherwise requires, the words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these Articles become binding on the Company.
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SHARE CAPITAL AND VARIATION RIGHTS

3. The Share Capital of the Company shall mean the share capital for the time being raised or authorized to be raised for the purpose of the Company, in terms of Clause V of Memorandum of Association of the Company. The Company shall have the power to increase or reduce the capital, to divide the share in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Regulations, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company and to consolidate or sub-divide the shares and issue shares of higher or lower denomination. The minimum paid – up capital of the Company should be Rs. 5,00,000/- (Rs. Five Lakhs only).
4. Subject to the provisions of the Act and 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 proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
5. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

- (a) Equity share capital:
 - (i) with voting rights; and / or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
 - (b) Preference share capital
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6. **LIMITATION OF TIME FOR ISSUE OF CERTIFICATES**

Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

7. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
 8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board. Provided that notwithstanding what is stated above, the directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
 9. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
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10. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or at the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.
11. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.
12. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
13.
 - i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.
 - ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
14. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
15. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.
16. **SHARES AT THE DISPOSAL OF DIRECTORS**

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid 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.

17. **FURTHER ISSUE OF SHARES**

- (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of unissued capital or increased share capital, then:
- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date ;
 - (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (c) 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 sub-clause (b) shall contain a statement of this right. Provided that the directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him;
 - (d) 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 of Directors may dispose of them in such manner as they, in their sole discretion, think fit.
- (2) Notwithstanding anything contained in sub-clause (1) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever:
- (a) If a special resolution to that effect is passed by the Company in a general meeting, or
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- (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- (3) Nothing in sub-clause (c) of (1) hereof shall be deemed:
 - (a) To extend the time within which the offer should be accepted; or
 - (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (4) Nothing in this Article 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 loans raised by the Company to convert such debenture or loans into shares in the Company.
- (5) Provided that that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting.

ALTERATION OF CAPITAL

18. Subject to the provisions of the Act, the Company may, by ordinary resolution -
- (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:

Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under 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 existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
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19. Where shares are converted into stock:
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;
 - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
 - (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock-holder" respectively.
20. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —
- (a) its share capital; and/or
 - (b) any capital redemption reserve account; and/or
 - (c) any securities premium account; and/or
 - (d) any other reserve in the nature of share capital.
21. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.
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CAPITALISATION OF PROFITS

- 21A. (1) The Company in general meeting may, upon the recommendation of the Board of Directors, resolve:
- a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Profit and Loss Account, or otherwise available for distribution; and
 - b) that such sum be accordingly set free for distribution in the manner specified in sub-Article (2) among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in sub-Article (3) and (6), either in or towards:
- a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the portions aforesaid; or
 - c) partly in the way specified in sub-clause (a) and partly in that is specified in sub-clause (b).
 - d) a securities premium account and a capital redemption reserve account may, for the purpose of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
 - e) the Board of Directors shall give effect to the resolution passed by the Company in pursuance of this Article.
- (3) Whenever such a resolution as aforesaid shall have been passed, the Board of Directors shall:
- a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares, if any; and
 - b) generally do all acts and things required to give effect thereto.
- (4) The Board of Directors shall have power:
- a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and also
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- b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profit, resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (5) Any agreement made under such authority shall be effective and binding on all such members.
- (6) In accordance with the Contribution Agreement, the shareholders of the Company as on date of the Contribution Agreement (“**Indian Shareholders**”), will be entitled to be issued additional 46,720,000 equity shares of the Company (which is equal to 11.68 million ADSs) and the Sponsor will be entitled to be issued 1.3 million additional ADSs (which is equal to 5.2 million equity shares of the Company), increasing ratably to a maximum of 2 million ADSs (which is equal to 8.0 million equity shares of the Company) based on the applicable actual Contribution Amount (as defined in the Contribution Agreement), subject to the achievement of certain ADS price targets during a period of three years following the closing date as defined in the Contribution Agreement (such issuance of additional equity shares of the Company to the Indian Shareholders and additional ADSs to the Sponsor is hereinafter referred to as the “**Earn-out**”). The Earn-out will be effected through a bonus issue of equity shares undertaken by the Company (or such other form and determined by the independent members of the Board of Directors of the Company), in accordance with the applicable Indian laws. In the event that the Company undertakes a bonus issuance of equity shares in order to give effect to the Earn-out, then the entitlement of the holders of ADSs (including upon the conversion of any ADSs into equity shares) to receive any interest in equity shares pursuant to such bonus issue will be governed solely by the terms of the Deposit Agreement and the Contribution Agreement, and such holders of the ADSs (including upon the conversion of any ADSs into equity shares) except the Sponsor (“**Public ADS Holders**”) are deemed to have:
- a) waived their right under applicable Indian law, if any, to receive any interest in or entitlement to equity shares pursuant to such bonus issuance; and
 - b) authorized the Company to instruct the Depository to accept for deposit any equity shares and distribute ADSs as may be required to effect the Earn-out upon declaration of any such bonus issuance as contemplated in this Article.
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LIEN

22. (1) The Company shall have a first and paramount lien –
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (2) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.
 - (3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.
23. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien Provided that no sale shall be made:
- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.
24. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
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- (2) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
 - (3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.
25. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
26. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
27. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

CALLS ON SHARES

28. (1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- (2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
- (4) A call may be revoked or postponed at the discretion of the Board.
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29. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
30. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
31. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.
- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
32. (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (2) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
33. **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST:** The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.
34. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.
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35. All calls shall be made on a uniform basis on all shares falling under the same class.
36. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
37. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

TRANSFER AND TRANSMISSION OF SHARES

38. The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of Shares held in physical and dematerialized forms in any medium as may be permitted by law, including in any form of electronic medium. The Company shall be entitled to keep in any state or country outside India, a branch Register of Members resident in that state or country.
 39. Instrument of Transfer: A common form of transfer shall be used in case of transfer of shares. The instrument of transfer shall be in writing and all the provisions of section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and the registration thereof.
 40. The instrument of transfer duly stamped and executed by the transferor or the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the Shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the Shares must be delivered to the Company. The transfer of the Shares shall be effected within one month from the date of the lodging the transfer with the Company.
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41. Notwithstanding anything contained contrary in these Articles, the shareholders shall have full, absolute, unrestricted and unfettered right to transfer, pledge, create lien, charge, mortgage and otherwise encumber the shares of the Company in favour of the lenders or in favour of any person/s acting for the benefit of the lenders as security for the loans and such lenders or the person/s acting for the benefit of the lenders, as the case may be, shall have full, absolute, unrestricted and unfettered right to sell the shares so pledged, charged and/or under the security interest and/or transfer in their name, in the name of their nominees or in the name of third person, at their sole and absolute discretion in accordance with the terms of financing/ security/ debenture documents. The Company shall immediately give effect to such transfer of share and/ or sale of the shares and register the name of the lenders or the person acting for the benefit of the lender or transferee or the subsequent purchaser as shareholder.
 42. Nothing contained contrary in these Articles shall apply to any transfer or sale of shares which are charged, pledged or under the security interest as security for the loans or the transfer, sale or appropriation of shares by the lenders or by any person/s acting for the benefit of the lenders and the Company/Director shall immediately without demur register the name of the lenders or the person acting for the benefit of the lenders or any such person to whom the lenders or the person acting for the benefit of the lenders have sold or transferred the shares pursuant to its right available in any of the financing and/or security documents or the subsequent transferee.
 43. On giving not less than seven days' previous notice in accordance with Section 91 of the Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board of Directors may from time to time determine, provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five (45) days in the aggregate in any year.
 44. Directors may refuse to register transfer: Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in-force, the Directors 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 one month 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. Transfer of shares/debentures in whatever lot shall not be refused.
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45. Where in the case of partly paid Shares, an application for registration is made by the transferor the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
46. In the case of the death of any one or more of the persons named in the Register of members as the joint-holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such Share but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other.
47. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board of Directors and, subject as hereinafter provided elect, either:
- a) to be registered himself as holder of the share; or
 - b) to make such transfer of the shares as the deceased or insolvent member could have made.
- (2) The Board of Directors shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had himself transferred the share before his death or insolvency.
48. (1) If the person so becoming entitled, shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a note in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of share.
- (3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.
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49. No fee on transfer or transmission: No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
50. On the transfer of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company, provided that the Board of Directors may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of the share, until the requirements of the notice have been complied with.
51. The Company shall incur no liability whatever in consequence of its registration or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable rights, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FOREFEITURE OF SHARES

52. If any member fails to pay any call or, installment of a call on or before the day appointed for the payment of the same, the Board may at any time thereafter during such time as the call or installment remains unpaid give notice requiring him to pay the same together with any interest that may have accrued.
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53. The notice shall name a further day (not being less than fourteen days from the date of the service of notice) on or before which the payment required by the notice is to be made; and state that, in the event of non-payment on or before the days so named, the shares in respect of which the call was made, will be liable to be forfeited.
 54. If the requirements of any such notice as aforesaid shall not be complied with, every or any Shares in respect of which such notice has been given, may at any time thereafter before payment required by the notice has been made, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
 55. When any Share shall have been so forfeited notice of the forfeiture to the member in whose name it stood at the time of forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
 56. Any Share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed off either to the original holder thereof or to any other person upon such terms and in such a manner as the Board shall think fit.
 57. Any member whose Shares have been forfeited shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares.
 58. The forfeiture of a Share involves extinction, at the time of the forfeiture, of all interest in and claims and demands against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
 59. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a Share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.
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60. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off. The transferee shall thereupon be registered as the holder of the share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
61. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the Shares shall (unless the same shall on demand by the company have been previously surrendered to, by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the person entitled thereto.
62. The Board may at any time before any Shares so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof at such conditions as it thinks fit.

JOINT HOLDERS

63. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:
 - a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.
 - b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
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- c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
- d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.
- e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.

(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.
- f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

BUY-BACK OF SHARES

- 64. Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

- 65. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in the Section 17 of the Act shall be sent by the Company to every Member at his request within seven days of the request, on payment of fees in accordance with the Act.
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SERVICE OF DOCUMENTS

66. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed under the Companies Act, 2013 or Rules made thereunder.

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode Save as provided in the Companies Act 2013 or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed.

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

GENERAL MEETING

67. All general meeting other than the annual general meetings of the Company shall be called extra-ordinary general meetings.
68. A general meeting of a company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed in the Act or rules made thereunder.
69. 1) The Board of Directors may, whenever it thinks fit call an extraordinary general meeting.
- 2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extra-ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
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3) The Board of Directors shall call an extraordinary general meeting, upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as on that date carries the right of voting. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office, provided that such requisition may consist of several documents in like form each signed by one or more requisitionists. Upon the receipt of any such requisition, the Board of Directors shall forthwith call an extraordinary general meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists may themselves call the meeting, within a period of three months from the date of the requisition. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

CONDUCT OF GENERAL MEETINGS

70. (1) No business shall be transacted at any general meeting, unless a quorum or members is present at the time when the meeting proceeds to business.
- (2) Save as otherwise provided herein, the quorum for the general meeting shall be as provided in Section 103 of the Act.
71. The Chairman, if any of the Board of Directors shall preside as Chairman at every general meeting of the Company.
72. If there is no such Chairman or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the directors present shall elect one of their members to be the Chairman of the meeting.
73. If at any meeting no director is willing to act as Chairman or if no director is present within fifteen minutes of the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.
74. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.
75. (1) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting, from time to time and place to place.
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- (2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the case of an original meeting.
 - (3) When a meeting is adjourned for thirty days or more, fresh notice of any adjourned meeting shall be given as in the case of an original meeting.
 - (4) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
76. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which poll is demanded shall be entitled to a second or casting vote.
77. The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.
78. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -
- (a) is or could reasonably be regarded, as defamatory of any person; or
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interests of the Company.
79. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.
80. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
81. A member of the Company may participate in a General Meeting through the electronic mode, subject to compliance of section 110 of the Act and such other circulars as may be prescribed.
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ADJOURNMENT OF MEETING

82. 1) The Chairperson may, *suo motu*, adjourn the meeting from time to time and from place to place.
- 2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- 4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting

VOTES OF THE MEMBERS

83. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- a) on a show of hands, every members present in person shall have one vote; and
 - b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
84. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
85. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of Members.
86. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy.
87. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.
88. No members shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares on which the Company has exercised any right of lien, have been paid.
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89. (1) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
- (2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.
90. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or an notarised copy of that power or authority shall be deposited at the Office of the Company, not less than 48 hours before the time for holding the meetings or adjourned meetings at which the person named in the instrument proposed to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
91. An instrument appointed a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.
92. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer or the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

93. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 152 of the Act, the number of Directors (including Debentures and Alternate Directors) shall not be less than three or more than fifteen.
94. The First Directors of the Company are:
1. Mr. Venugopal Nandlal Dhoot
 2. Mr. Anirudha Venugopal Dhoot
 3. Mr. Suresh Madhava Hegde
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95. The Board shall have the power to appoint/re-appoint from time to time any of its members as Chairman & Managing Director or Manager of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit. The appointment and terms and conditions, including remuneration of Managing Director or Manager or Whole-Time Director shall be in accordance with Section 197 and Schedule V of the Companies Act, 2013. . The Managing Director or Manager or Whole-Time Director who are in whole-time employment in the Company shall be subject to supervision and control of the Board of Directors of the Company.
96. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
97. The directors may participate in any meeting of the Board or a committee thereof, through electronic mode subject to compliance with applicable law.
98. At every annual general meeting of the Company one-third of such of the directors of the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act if their number is not three or a multiple of three, then the number nearest to one third retire from office.
99. The Director, including Alternate and Nominee Directors, if any, shall be entitled to sitting fees, for participating/attending Board Meeting or Meeting of Committee of Board of Directors, a sum not exceeding Rs. 20,000/- or such sum as may be fixed by the Board of Directors, from time to time. However, the same shall not exceed the maximum sum as is permissible under the provisions of the Act or Guidelines issued by appropriate authority, from time to time.
100. (1) The remuneration of be directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- (2) In addition to the remuneration payable to them in pursuance to the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them:
- a) In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
 - b) In connection with the business of the Company.
101. The directors shall not be required to hold any qualifications shares in the Company.
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102. Subject to the provisions of Sections 149 and 161 of the Act, the Board of Directors shall have power at any time, and from time to time, to appoint persons as additional directors, provided the number of additional directors and directors together shall not at any time exceed the maximum strength fixed for the Board of Directors by the Articles. Such a person shall hold office up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.
 103. Subject to the provisions of Section 161 of the Act, the Board of Directors shall have power to appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director to act for a director during his absence for a period of not less than three months from India.
 104. The directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upon the date up to which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.
 105. The office of a director shall become vacant on the occurrence of any events described in Section 167 of the Act and other relevant provisions if the Act.
 106. Every director present at any meeting of the Board of Directors or a committee there of shall sign his name in a book or attendance sheet to be kept for that purpose, to show his attendance there at.
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107. Notwithstanding anything to the contrary contained in these Articles, so long as moneys remain owing by the Company to the IDBI Bank Limited, ICICI Bank Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Ltd, The Oriental Fire & General Insurance Co Ltd, The New India Assurance Co. Ltd, United India Insurance Company Ltd or a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or any Public Sector Banks by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/debenture assistance granted by them to the Company or so long as the Corporation holds or continue to hold debentures/shares in the Company as result of under writing or by subscription or private placement or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole time (which Director or directors is/are hereinafter referred to as "**Nominee Directors**") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or her or their places. The Board of Directors of the Company shall have no power to remove office of the Nominee Directors. At the option of the Corporation such Nominee directors shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation such Nominee Directors shall not be liable to retirement by rotation of Directors. The Company agrees that if the Board of Directors of the Company has constituted or proposes to constitute any management committee or other committee (so it shall, if so required by the Corporation, include the Nominee Director as a member of such management committee or other committees). Subject as aforesaid the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other director of the Company. The Nominee Director(s) so appointed shall hold the said office only so long as any money remains owing by the Company to the Corporation or so long as the Corporation hold or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the company arising out of the guarantee is outstanding and the Nominee Director(s) so appointed in exercise of the said power shall vacate such office, immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the company arising out of the guarantee furnished by the Corporation. The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director(s) is/are, Member(s) as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Nominee Director(s) shall be entitled to the same sitting fees, commission, remuneration and expense as are applicable to other Directors of the other expenses to the Nominee Director(s) directly, but the commission, remuneration or other monies and fees to which the Nominee Director(s) is/are entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation.

Provided that if any such Nominee Directors is in office of the Corporation the sitting fees, in relation to such Nominee director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Any expense that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director(s). Provided also that in the event of the Nominee Director being appointed as whole time director(s), such Nominee Director(s) shall exercise such powers and duties as may be approved by the Corporation and have such right as are usually exercised or available to a Whole Time Director in the management of the affairs of the Company. Such Whole Time Director(s) shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

POWERS OF BOARD OF DIRECTORS

108. The Board of Directors shall exercise the following powers on behalf of the Company and it shall do so only by means of resolution passed by the Board at its meetings:
- a. make calls on shareholders in respect of money unpaid on the shares in the Company;
 - b. Authorize buy-back of securities under Section 68 of the Act;
 - c. issue securities, including debentures , whether in or outside India;
 - d. borrow moneys,
 - e. invest the funds of the Company;
 - f. grant loans or give guarantee or provide security in respect of loans;
 - g. approve financial statement and the Board's Report;
 - h. diversify the business of the Company;
 - i. approve amalgamation, merger or reconstruction;
 - j. takeover a company or acquire a controlling or substantial stake in another company;
 - k. to make political contributions;
 - l. to appoint or remove key managerial personnel (KMP);
 - m. to take note of appointment(s) or removal(s) of one level below the KMP;
 - n. to appoint internal auditors and secretarial auditor;
 - o. to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital or free reserves of the investee company;
 - p. to invite or accept or renew public deposits and related matters;
 - q. to review or change the terms and conditions of public deposits;
 - r. to approve quarterly, half yearly and annual financial statements or financial results as the case may be; and
 - s. any other matter which may be prescribed from time to time.
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Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the managing Director, the manager or any other principal officer of the Company, the powers specified in (d), (e) and (f) or such other powers as may be permitted from time to time on such conditions as the Board may prescribe, subject to Section 179 of the Act.

109. The Board may exercise all such powers of the Company and do all such acts and things as are not by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company accorded by a Special Resolution:
- (a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
 - (b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
 - (c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business
 - (d) to remit, or give time for the repayment of, any debt due from a director.
110. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a Meeting of the Board.
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POWER OF ATTORNEY

111. The Board may at any time and from time to time nominate/appoint by Power of Attorney under the seal of the Company, any person or persons to act as Attorney/Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under the presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the Power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board think fit) be made in favor of any person, individual, corporate, member, company, director, manager or member of any local board, established as aforesaid or otherwise in favor of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such Powers for the protection or convenience of person dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub delegate all or any of the powers, authorities and discretions for the time being vested in them.

PROCEEDINGS OF THE BOARD

112. (1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (2) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
- (3) The quorum for a Board meeting shall be as provided in the Act.
- (4) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
113. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
114. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
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115. (1) The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
 - (2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
 116. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.
 - (2) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
 - (3) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
 117. A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.
 118. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
 119. Committee may meet and adjourn as it thinks fit.
 120. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.
 121. In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.
 122. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
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123. Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

RESOLUTION BY CIRCULATION

124. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, by the Secretary of the Company, if any, or by any person or persons nominated by the Chairman/Managing Director/Manager, together with the necessary papers if any to all the Directors or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

REGISTERS

125. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.
126. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board of Directors may (subject to the provisions of that Section) make and vary such regulations as it may think fit with respect to the keeping of any such register.
127. The directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.
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128. All related party transactions will be approved by the Board of Directors, and, if applicable, by the shareholders in a general meeting through a special resolution, in accordance with the provisions of the Act and rules framed thereunder.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

129. Subject to the provisions of the Act:
- a) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board of Directors for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple business.
 - b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
130. Any provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

131. The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except the authority of the Board or a Committee of the Board previously given. The Company shall also be at liberty to have an official Seal in accordance with the provisions of the Act.
132. Every deed or other instrument, to which the Seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by one Director and some other person appointed by Board for the purpose. Provided that in respect of the Share certificate, the Seal shall be affixed in accordance with the Articles.
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DIVIDENDS AND RESERVE

133. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
134. Subject to the provisions of Section 123 of the Act, the Board of Directors may, from time to time, pay to the members such interim dividends as appear it to be justified by the profits earned by the Company.
135. The Board of Directors may, before recommending any dividend, set aside out of the profits of the Company, such sums, as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any of the purposes to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such applications may at the like discretion either be employed in the businesses of the Company or be invested in such investments (other than shares of the Company) as the Board of Directors may, from time to time, think fit. The Board of Directors may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
136. (1) Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as having been paid on the share.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
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137. The Board of Directors may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
138. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the reregistered address of the holder or in case of joint holders, to the registered address of that one of the joint holders who is first named on the register of member, or to such persons and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
139. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other moneys payable in respect of such share.
140. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
141. No dividend shall bear interest against the Company.
142. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Videocon d2h Limited Unpaid Dividend Account".
143. 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 Section 125 of the Act.
144. No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by law.

ACCOUNTS

145. The Board of Directors shall cause proper books of accounts to be maintained including under Section 128 of the Act.
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146. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorized by the Board or by the Company in a General Meeting.

WINDING UP

147. (1) Subject to the provisions of the Act, and the rules made thereunder, on the winding up of the Company, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members in specie or in kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid, and may determine how such division shall be carried out as between the members or different classes of members.
- (3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

148. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by a competent court or the tribunal.

SECRECY

149. a) Every Director, Manager, Auditor, Treasurer, Chief Accounts Officer, Accountant, Agent or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except and so far as may be necessary in order to comply with any of the provisions in these presents contained.
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b) No members shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, secret process of any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

VARIATION IN TERMS OF CONTRACT OR OBJECTS IN PROSPECTUS

150. The Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Act. Provided that the dissenting shareholders, being the shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling shareholders of the Company, at the fair market value of the equity shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the contracts or the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

GENERAL POWER

151. Wherever in the Act, it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

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Section 4: EX-4.2 (EXHIBIT 4.2)

Exhibit 4.2

Form of DEPOSIT AGREEMENT

by and among

VIDEOCON D2H LIMITED

as Issuer,

DEUTSCHE BANK TRUST COMPANY AMERICAS

as Depositary,

AND

**THE HOLDERS AND BENEFICIAL OWNERS
OF AMERICAN DEPOSITARY SHARES EVIDENCED BY
AMERICAN DEPOSITARY RECEIPTS ISSUED HEREUNDER**

Dated as of [●], 2015

DEPOSIT AGREEMENT

DEPOSIT AGREEMENT, dated as of [●], 2015, by and among (i) Videocon d2h Limited, a company incorporated in India, with its principal executive office at 1st Floor, Techweb Centre, New Link Road, Oshiwara Jogeshwari (West), Mumbai 400 102, Maharashtra, India (together with its successors, the “**Company**”), (ii) Deutsche Bank Trust Company Americas, an indirect wholly owned subsidiary of Deutsche Bank A.G., acting in its capacity as depositary, with its principal office at 60 Wall Street, New York, NY 10005, United States of America and any successor depositary hereunder (the “**Depositary**”), and (iii) all Holders and Beneficial Owners of American Depositary Shares evidenced by American Depositary Receipts issued hereunder (all such capitalized terms as hereinafter defined).

WITNESSETH THAT:

WHEREAS, the Company desires to establish an ADR facility with the Depositary to provide for the deposit of the Shares and the creation of American Depositary Shares representing the Shares so deposited; and

WHEREAS, the Depositary is willing to act as the Depositary for such ADR facility upon the terms set forth in this Deposit Agreement; and

WHEREAS, the American Depositary Receipts evidencing the American Depositary Shares issued pursuant to the terms of this Deposit Agreement are to be substantially in the forms of Exhibit A and Exhibit B annexed hereto, with appropriate insertions, modifications and omissions, as hereinafter provided in this Deposit Agreement; and

WHEREAS, the American Depositary Shares to be issued pursuant to the terms of this Deposit Agreement are accepted for trading on the NASDAQ; and

WHEREAS, the Board of Directors of the Company (or an authorized committee thereof) has duly approved the establishment of an ADR facility upon the terms set forth in this Deposit Agreement, the execution and delivery of this Deposit Agreement on behalf of the Company, and the actions of the Company and the transactions contemplated herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS

All capitalized terms used, but not otherwise defined, herein shall have the meanings set forth below, unless otherwise clearly indicated:

SECTION 1.1 “Affiliate” shall have the meaning assigned to such term by the Commission under Regulation C promulgated under the Securities Act.

SECTION 1.2 “Agent” shall mean such entity or entities as the Depositary may appoint under Section 7.8 hereof, including the Custodian or any successor or addition thereto.

SECTION 1.3 "American Depositary Share(s)" and "ADS(s)" shall mean the securities represented by the rights and interests in the Deposited Securities granted to the Holders and Beneficial Owners pursuant to this Deposit Agreement and evidenced by the American Depositary Receipts issued hereunder. Each American Depositary Share shall represent the right to receive four Shares, until there shall occur a distribution upon Deposited Securities referred to in Section 4.2 hereof or a change in Deposited Securities referred to in Section 4.9 hereof with respect to which additional American Depositary Receipts are not executed and delivered and thereafter each American Depositary Share shall represent the Shares or Deposited Securities specified in such Sections.

SECTION 1.4 "Article" shall refer to an article of the American Depositary Receipts as set forth in the Form of Face of Receipt and Form of Reverse of Receipt in Exhibit A and Exhibit B annexed hereto.

SECTION 1.5 "Articles of Association" shall mean the articles of association of the Company, as amended from time to time.

SECTION 1.6 "ADS Record Date" shall have the meaning given to such term in Section 4.7 hereof.

SECTION 1.7 "Beneficial Owner" shall mean as to any ADS, any person or entity having a beneficial interest in such ADS. A Beneficial Owner need not be the Holder of the ADR evidencing such ADSs. A Beneficial Owner may exercise any rights or receive any benefits hereunder solely through the Holder of the ADR(s) evidencing the ADSs in which such Beneficial Owner has an interest.

SECTION 1.8 "Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not (a) a day on which banking institutions in the Borough of Manhattan, The City of New York are authorized or obligated by law or executive order to close and (b) a day on which the market(s) in which Receipts are traded are closed.

SECTION 1.9 "Commission" shall mean the Securities and Exchange Commission of the United States or any successor governmental agency in the United States.

SECTION 1.10 "Company" shall mean Videocon d2h Limited, a company incorporated and existing under the laws of India, and its successors.

SECTION 1.11 "Corporate Trust Office" when used with respect to the Depositary, shall mean the corporate trust office of the Depositary at which at any particular time its depositary receipts business shall be administered, which, at the date of this Deposit Agreement, is located at 60 Wall Street, New York, New York 10005, U.S.A.

SECTION 1.12 "Custodian" shall mean, as of the date hereof, ICICI Bank Limited, having its principal office at _____, as the custodian for the purposes of this Deposit Agreement, and any other firm or corporation which may hereinafter be appointed by the Depositary pursuant to the terms of Section 5.5 hereof as a successor or an additional custodian or custodians hereunder, as the context shall require. The term "Custodian" shall mean all custodians, collectively.

SECTION 1.13 “Deliver”, “Deliverable” and “Delivery” shall mean, when used in respect of American Depositary Shares, Receipts, Deposited Securities and Shares, the physical delivery of the certificate representing such security, or the electronic delivery of such security by means of book-entry transfer (except with respect to the Shares), as appropriate, including, without limitation, through DRS/Profile. With respect to DRS/Profile ADRs, the terms “execute”, “issue”, “register”, “surrender”, “transfer” or “cancel” refer to applicable entries or movements to or within DRS/Profile.

SECTION 1.14 “Deposit Agreement” shall mean this Deposit Agreement and all exhibits annexed hereto, as the same may from time to time be amended and supplemented in accordance with the terms hereof.

SECTION 1.15 “Depository” shall mean Deutsche Bank Trust Company Americas, an indirect wholly owned subsidiary of Deutsche Bank AG, in its capacity as depository under the terms of this Deposit Agreement, and any successor depository hereunder.

SECTION 1.16 “Deposited Securities” as of any time shall mean Shares at such time deposited or deemed to be deposited under this Deposit Agreement and any and all other securities, property and cash received or deemed to be received by the Depository or the Custodian in respect thereof and held hereunder, subject, in the case of cash, to the provisions of Section 4.6 hereof and, in the case of collateral delivered in connection with Pre-Release Transactions, to the provisions of Section 2.10 hereof.

SECTION 1.17 “Dollars” and “\$” shall mean the lawful currency of the United States.

SECTION 1.18 “DRS/Profile” shall mean the system for the uncertificated registration of ownership of securities pursuant to which ownership of ADSs is maintained on the books of the Depository without the issuance of a physical certificate and transfer instructions may be given to allow for the automated transfer of ownership between the books of DTC and the Depository. Ownership of ADSs held in DRS/Profile is evidenced by periodic statements issued by the Depository to the Holders entitled thereto.

SECTION 1.19 “DTC” shall mean The Depository Trust Company, the central book-entry clearinghouse and settlement system for securities traded in the United States, and any successor thereto.

SECTION 1.20 “Exchange Act” shall mean the U.S. Securities Exchange Act of 1934, as from time to time amended.

SECTION 1.21 “Foreign Currency” shall mean any currency other than Dollars.

SECTION 1.22 “Foreign Registrar” shall mean the entity, if any, that carries out the duties of registrar for the Shares or any successor as registrar for the Shares and any other appointed agent of the Company for the transfer and registration of Shares or, if no such agent is so appointed and acting, the Company.

SECTION 1.23 “Holder” shall mean the person in whose name a Receipt is registered on the books of the Depository (or the Registrar, if any) maintained for such purpose. A Holder may or may not be a Beneficial Owner. A Holder shall be deemed to have all requisite authority to act on behalf of the Beneficial Owners of the ADRs registered in such Holder’s name.

SECTION 1.24 “Indemnified Person” and “Indemnifying Person” shall have the meaning set forth in Section 5.8 hereof.

SECTION 1.25 “Memorandum” shall mean the memorandum of association of the Company.

SECTION 1.26 “Opinion of Counsel” shall mean a written opinion from legal counsel to the Company who is acceptable to the Depository.

SECTION 1.27 “Pre-Release Transaction” shall have the meaning set forth in Section 2.10 hereof.

SECTION 1.28 “Receipt(s); “American Depositary Receipt(s)”; and “ADR(s)” shall mean the certificate(s) or statement(s) issued by the Depository evidencing the American Depositary Shares issued under the terms of this Deposit Agreement, as such Receipts may be amended from time to time in accordance with the provisions of this Deposit Agreement. References to Receipts shall include physical certificated Receipts as well as ADSs issued through any book-entry system, including, without limitation, DRS/Profile, unless the context otherwise requires.

SECTION 1.29 “Registrar” shall mean the Depository or any bank or trust company having an office in the Borough of Manhattan, The City of New York, which shall be appointed by the Depository to register ownership of Receipts and transfer of Receipts as herein provided, and shall include any co-registrar appointed by the Depository for such purposes. Registrars (other than the Depository) may be removed and substitutes appointed by the Depository.

SECTION 1.30 “Restricted ADRs” shall have the meaning set forth in Section 2.11 hereof.

SECTION 1.31 “Restricted ADSs” shall have the meaning set forth in Section 2.11 hereof.

SECTION 1.32 “Restricted Securities” shall mean Shares, or American Depositary Shares representing such Shares, which (i) have been acquired directly or indirectly from the Company or any of its Affiliates in a transaction or chain of transactions not involving any public offering and subject to resale limitations under the Securities Act or the rules issued thereunder, (ii) are held by an officer or director (or persons performing similar functions) or other Affiliate of the Company or (iii) are subject to other restrictions on sale or deposit under the laws of the United States or Indian, under a shareholders’ agreement, [shareholders’ lock-up agreements] or the Articles of Association or under the regulations of an applicable securities exchange unless, in each case, such Shares are being sold to persons other than an Affiliate of the Company in a transaction (x) covered by an effective resale registration statement or (y) exempt from the registration requirements of the Securities Act (as hereafter defined) and the Shares are not, when held by such person, Restricted Securities.

SECTION 1.33 “Restricted Shares” shall have the meaning set forth in Section 2.11 hereof.

SECTION 1.34 “Securities Act” shall mean the United States Securities Act of 1933, as from time to time amended.

SECTION 1.35 “Shares” shall mean equity shares in registered form of the Company, face value 10 Indian Rupees each , heretofore or hereafter validly issued and outstanding and fully paid. References to Shares shall include evidence of rights to receive Shares, whether or not stated in the particular instance; *provided, however*, that in no event shall Shares include evidence of rights to receive Shares with respect to which the full purchase price has not been paid or Shares as to which pre-emptive rights have theretofore not been validly waived or exercised; and *provided further, however*, that, if there shall occur any change in face value, split-up, consolidation, reclassification, conversion or any other event described in Section 4.9 hereof in respect of the Shares, the term “Shares” shall thereafter, to the extent permitted by law, represent the successor securities resulting from such change in face value, split-up, consolidation, exchange, conversion, reclassification or event.

SECTION 1.36 “United States” or “U.S.” shall mean the United States of America.

ARTICLE II.

APPOINTMENT OF DEPOSITARY; FORM OF RECEIPT; DEPOSIT OF SHARES; EXECUTION AND DELIVERY, TRANSFER AND SURRENDER OF RECEIPTS

SECTION 2.1 Appointment of Depositary. The Company hereby appoints the Depositary as exclusive depositary for the Deposited Securities and hereby authorizes and directs the Depositary to act in accordance with the terms set forth in this Deposit Agreement. Each Holder and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms of this Deposit Agreement, shall be deemed for all purposes to (a) be a party to and bound by the terms of this Deposit Agreement and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in this Deposit Agreement, to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of this Deposit Agreement (the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof).

SECTION 2.2 Form and Transferability of Receipts.

(a) Form. Receipts in certificated form shall be substantially in the forms set forth in Exhibit A and Exhibit B annexed to this Deposit Agreement, with appropriate insertions, modifications and omissions, as hereinafter provided. Receipts may be issued in denominations of any number of American Depositary Shares. No Receipt in certificated form shall be entitled to any benefits under this Deposit Agreement or be valid or obligatory for any purpose, unless such Receipt shall have been executed by the Depositary by the manual or facsimile signature of a duly authorized signatory of the Depositary. The Depositary shall maintain books on which each Receipt so executed and Delivered, in the case of Receipts in certificated form, and each Receipt issued through any book-entry system, including, without limitation, DRS/Profile, in either case as hereinafter provided, and the transfer of each such Receipt shall be registered. Receipts in certificated form bearing the manual or facsimile signature of a duly authorized signatory of the Depositary who was at any time a proper signatory of the Depositary shall bind the Depositary, notwithstanding that such signatory has ceased to hold such office prior to the execution and Delivery of such Receipts by the Registrar or did not hold such office on the date of issuance of such Receipts.

Notwithstanding anything in this Deposit Agreement or in the form of Receipt to the contrary, the Depositary may, in its discretion, issue ADRs, including Restricted ADRs, in certificated form or through any book-entry system, including, without limitation, DRS/Profile, and Holders of ADRs shall only be entitled to receive Receipts in certificated form to the extent the Depositary has made Receipts in certificated form available at the expense of the Company (i) in its sole discretion, or (ii) (a) during a continuous period lasting at least 14 days during which DTC ceases to operate as a book-entry clearing house and settlement system (other than by reason of holidays, statutory or otherwise) or (b) if DTC announces an intention permanently to cease and subsequently ceases business as a book-entry clearing house and settlement system and no alternative book-entry clearing house and settlement system satisfactory to the Depositary is available within 45 days. Holders and Beneficial Owners shall be bound by the terms and conditions of this Deposit Agreement and of the form of Receipt, regardless of whether their Receipts are in certificated form or are issued through any book-entry system, including, without limitation, DRS/Profile.

(b) Legends. In addition to the foregoing, the Receipts may, and upon the written request of the Company shall, be endorsed with, or have incorporated in the text thereof, such legends or recitals or modifications not inconsistent with the provisions of this Deposit Agreement as may be (i) necessary to enable the Depositary and the Company to perform their respective obligations hereunder, (ii) required to comply with any applicable laws or regulations, or with the rules and regulations of any securities exchange or market upon which ADSs may be traded, listed or quoted, or to conform with any usage with respect thereto, (iii) necessary to indicate any special limitations or restrictions to which any particular ADRs or ADSs are subject by reason of the date of issuance of the Deposited Securities or otherwise or (iv) required by any book-entry system in which the ADSs are held. Holders and Beneficial Owners shall be deemed, for all purposes, to have notice of, and to be bound by, the terms and conditions of the legends set forth, in the case of Holders, on the ADR registered in the name of the applicable Holders or, in the case of Beneficial Owners, on the ADR representing the ADSs owned by such Beneficial Owners.

(c) Title. Subject to the limitations contained herein and in the form of Receipt, title to a Receipt (and to the ADSs evidenced thereby), when properly endorsed (in the case of certificated Receipts) or upon delivery to the Depositary of proper instruments of transfer, shall be transferable by delivery with the same effect as in the case of a negotiable instrument under the laws of the State of New York; provided, however, that the Depositary, notwithstanding any notice to the contrary, may treat the Holder thereof as the absolute owner thereof for the purpose of determining the person entitled to distribution of dividends or other distributions or to any notice provided for in this Deposit Agreement and for all other purposes and neither the Depositary nor the Company will have any obligation or be subject to any liability under the Deposit Agreement to any holder of a Receipt, unless such holder is the Holder thereof.

SECTION 2.3 Deposits.

(a) Subject to the terms and conditions of this Deposit Agreement and applicable law, Shares or evidence of rights to receive Shares (including Restricted Securities) may be deposited by any person (including the Depositary in its individual capacity but subject, however, in the case of the Company or any Affiliate of the Company, to Section 5.7 hereof) at any time beginning on the 181st day after the date of the prospectus contained in the registration statement on Form F-4 under which the ADSs are first sold, whether or not the transfer books of the Company or the Foreign Registrar, if any, are closed, by Delivery of the Shares to the Custodian. Except for Shares deposited by the Company in connection with the initial sale of ADSs under the registration statement on Form F-4, no deposit of Shares shall be accepted under this Deposit Agreement prior to such date. Every deposit of Shares shall be accompanied by the following: (A)(i) in the case of Shares represented by certificates issued in registered form, appropriate instruments of transfer or endorsement, in a form satisfactory to the Custodian, (ii) in the case of Shares represented by certificates issued in bearer form, such Shares or the certificates representing such Shares and (iii) in the case of Shares Delivered by book-entry transfer, confirmation of such book-entry transfer to the Custodian or that irrevocable instructions have been given to cause such Shares to be so transferred, (B) such certifications and payments (including, without limitation, the Depositary's fees and related charges) and evidence of such payments (including, without limitation, stamping or otherwise marking such Shares by way of receipt) as may be required by the Depositary or the Custodian in accordance with the provisions of this Deposit Agreement, (C) if the Depositary so requires, a written order directing the Depositary to execute and Deliver to, or upon the written order of, the person or persons stated in such order a Receipt or Receipts for the number of American Depositary Shares representing the Shares so deposited, (D) evidence satisfactory to the Depositary (which may include an opinion of counsel reasonably satisfactory to the Depositary provided at the cost of the person seeking to deposit Shares) that all conditions to such deposit have been met and all necessary approvals have been granted by, and there has been compliance with the rules and regulations of, any applicable governmental agency and (E) if the Depositary so requires, (i) an agreement, assignment or instrument satisfactory to the Depositary or the Custodian which provides for the prompt transfer by any person in whose name the Shares are or have been recorded to the Custodian of any distribution, or right to subscribe for additional Shares or to receive other property in respect of any such deposited Shares or, in lieu thereof, such indemnity or other agreement as shall be satisfactory to the Depositary or the Custodian and (ii) if the Shares are registered in the name of the person on whose behalf they are presented for deposit, a proxy or proxies entitling the Custodian to exercise voting rights in respect of the Shares for any and all purposes until the Shares so deposited are registered in the name of the Depositary, the Custodian or any nominee. No Share shall be accepted for deposit unless accompanied by confirmation or such additional evidence, if any is required by the Depositary, that is reasonably satisfactory to the Depositary or the Custodian that all conditions to such deposit have been satisfied by the person depositing such Shares under the laws and regulations of India and any necessary approval has been granted by any governmental body in India, if any, which is then performing the function of the regulator of currency exchange. The Depositary may issue Receipts against evidence of rights to receive Shares from the Company, any agent of the Company or any custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares. Without limitation of the foregoing, the Depositary shall not knowingly accept for deposit under this Deposit Agreement any Shares or other Deposited Securities required to be registered under the provisions of the Securities Act, unless a registration statement is in effect as to such Shares or other Deposited Securities, or any Shares or other Deposited Securities the deposit of which would violate any provisions of the Memorandum and Articles of Association. The Depositary shall use commercially reasonable efforts to comply with reasonable written instructions of the Company that the Depositary shall not accept for deposit hereunder any Shares specifically identified in such instructions at such times and under such circumstances as may reasonably be specified in such instructions in order to facilitate the Company's compliance with the securities laws in the United States and other jurisdictions, provided that the Company shall indemnify the Depositary and the Custodian for any claims and losses arising from not accepting the deposit of any Shares identified in the Company's instructions.

(b) As soon as practicable after receipt of any permitted deposit hereunder and compliance with the provisions of this Deposit Agreement, the Custodian shall present the Shares so deposited, together with the appropriate instrument or instruments of transfer or endorsement, duly stamped, to the Foreign Registrar for transfer and registration of the Shares (as soon as transfer and registration can be accomplished and at the expense of the person for whom the deposit is made) in the name of the Depository, the Custodian or a nominee of either. Deposited Securities shall be held by the Depository or by a Custodian for the account and to the order of the Depository or a nominee, in each case for the account of the Holders and Beneficial Owners, at such place or places as the Depository or the Custodian shall determine.

(c) In the event any Shares are deposited which entitle the holders thereof to receive a per-share distribution or other entitlement in an amount different from the Shares then on deposit, the Depository is authorized to take any and all actions as may be necessary (including, without limitation, making the necessary notations on Receipts) to give effect to the issuance of such ADSs and to ensure that such ADSs are not fungible with other ADSs issued hereunder until such time as the entitlement of the Shares represented by such non-fungible ADSs equals that of the Shares represented by ADSs prior to such deposit. The Company agrees to give timely written notice to the Depository if any Shares issued or to be issued contain rights different from those of any other Shares theretofore issued and shall assist the Depository with the establishment of procedures enabling the identification of such non-fungible Shares upon Delivery to the Custodian.

SECTION 2.4 Execution and Delivery of Receipts. After the deposit of any Shares pursuant to Section 2.3 hereof, the Custodian shall notify the Depository of such deposit and the person or persons to whom or upon whose written order a Receipt or Receipts are Deliverable in respect thereof and the number of American Depository Shares to be evidenced thereby. Such notification shall be made by letter, first class airmail postage prepaid, or, at the request, risk and expense of the person making the deposit, by cable, telex, SWIFT, facsimile or electronic transmission. After receiving such notice from the Custodian, the Depository, subject to this Deposit Agreement (including, without limitation, the payment of the fees, expenses, taxes and/or other charges owing hereunder), shall issue the ADSs representing the Shares so deposited to or upon the order of the person or persons named in the notice Delivered to the Depository and shall execute and Deliver a Receipt registered in the name or names requested by such person or persons evidencing in the aggregate the number of American Depository Shares to which such person or persons are entitled. Nothing herein shall prohibit any Pre-Release Transaction upon the terms set forth in this Deposit Agreement.

SECTION 2.5 Transfer of Receipts; Combination and Split-up of Receipts.

(a) Transfer. The Depository, or, if a Registrar (other than the Depository) for the Receipts shall have been appointed, the Registrar, subject to the terms and conditions of this Deposit Agreement, shall register transfers of Receipts on its books, upon surrender at the Corporate Trust Office of the Depository of a Receipt by the Holder thereof in person or by duly authorized attorney, properly endorsed in the case of a certificated Receipt or accompanied by, or in the case of Receipts issued through any book-entry system, including, without limitation, DRS/Profile, receipt by the Depository of, proper instruments of transfer (including signature guarantees in accordance with standard industry practice) and duly stamped as may be required by the laws of the State of New York and of the United States and any other applicable law. Subject to the terms and conditions of this Deposit Agreement, including payment of the applicable fees and charges of the Depository set forth in Section 5.9 hereof and Article (9) of Exhibit A hereto, the Depository shall execute a new Receipt or Receipts and Deliver the same to or upon the order of the person entitled thereto evidencing the same aggregate number of American Depository Shares as those evidenced by the Receipts surrendered.

(b) Combination and Split Up. The Depositary, subject to the terms and conditions of this Deposit Agreement shall, upon surrender of a Receipt or Receipts for the purpose of effecting a split-up or combination of such Receipt or Receipts and upon payment to the Depositary of the applicable fees and charges set forth in Section 5.9 hereof and Article (9) of Exhibit A hereto, execute and Deliver a new Receipt or Receipts for any authorized number of American Depositary Shares requested, evidencing the same aggregate number of American Depositary Shares as the Receipt or Receipts surrendered.

(c) Co-Transfer Agents. The Depositary may appoint one or more co-transfer agents for the purpose of effecting transfers, combinations and split-ups of Receipts at designated transfer offices on behalf of the Depositary. In carrying out its functions, a co-transfer agent may require evidence of authority and compliance with applicable laws and other requirements by Holders or persons entitled to such Receipts and will be entitled to protection and indemnity, in each case to the same extent as the Depositary. Such co-transfer agents may be removed and substitutes appointed by the Depositary. Each co-transfer agent appointed under this Section 2.5 (other than the Depositary) shall give notice in writing to the Depositary accepting such appointment and agreeing to be bound by the applicable terms of this Deposit Agreement.

(d) Substitution of Receipts. At the request of a Holder, the Depositary shall, for the purpose of substituting a certificated Receipt with a Receipt issued through any book-entry system, including, without limitation, DRS/Profile, or vice versa, execute and Deliver a certificated Receipt or deliver a statement, as the case may be, for any authorized number of ADSs requested, evidencing the same aggregate number of ADSs as those evidenced by the relevant Receipt.

SECTION 2.6 Surrender of Receipts and Withdrawal of Deposited Securities. Upon surrender, at the Corporate Trust Office of the Depositary, of American Depositary Shares for the purpose of withdrawal of the Deposited Securities represented thereby, and upon payment of (i) the fees and charges of the Depositary for the making of withdrawals of Deposited Securities and cancellation of Receipts (as set forth in Section 5.9 hereof and Article (9) of Exhibit A hereto) and (ii) all applicable taxes and/or governmental charges payable in connection with such surrender and withdrawal, and subject to the terms and conditions of this Deposit Agreement, the Memorandum and Articles of Association, Section 7.10 hereof and any other provisions of or governing the Deposited Securities and other applicable laws, the Holder of such American Depositary Shares shall be entitled to Delivery, to him or upon his order, of the Deposited Securities at the time represented by the American Depositary Shares so surrendered. American Depositary Shares may be surrendered for the purpose of withdrawing Deposited Securities by Delivery of a Receipt evidencing such American Depositary Shares (if held in certificated form) or by book-entry Delivery of such American Depositary Shares to the Depositary.

A Receipt surrendered for such purposes shall, if so required by the Depositary, be properly endorsed in blank or accompanied by proper instruments of transfer in blank, and if the Depositary so requires, the Holder thereof shall execute and deliver to the Depositary a written order directing the Depositary to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of a person or persons designated in such order. Thereupon, the Depositary shall direct the Custodian to Deliver (without unreasonable delay) at the designated office of the Custodian or through a book-entry delivery of the Shares (in either case, subject to Sections 2.7, 3.1, 3.2, 5.9, hereof and to the other terms and conditions of this Deposit Agreement, to the Memorandum and Articles of Association, to the provisions of or governing the Deposited Securities and to applicable laws, now or hereafter in effect) to or upon the written order of the person or persons designated in the order delivered to the Depositary as provided above, the Deposited Securities represented by such American Depositary Shares, together with any certificate or other proper documents of or relating to title of the Deposited Securities as may be legally required, as the case may be, to or for the account of such person.

The Depositary may refuse to accept for surrender American Depositary Shares only in the circumstances described in Article (4) of Exhibit A hereto. Subject thereto, in the case of surrender of a Receipt evidencing a number of American Depositary Shares representing other than a whole number of Shares, the Depositary shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depositary, either (i) issue and Deliver to the person surrendering such Receipt a new Receipt evidencing American Depositary Shares representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Shares represented by the Receipt surrendered and remit the proceeds of such sale (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes and/or governmental charges) to the person surrendering the Receipt.

At the request, risk and expense of any Holder so surrendering a Receipt, and for the account of such Holder, the Depositary shall direct the Custodian to forward (to the extent permitted by law) any cash or other property (other than securities) held in respect of, and any certificate or certificates and other proper documents of or relating to title to, the Deposited Securities represented by such Receipt to the Depositary for delivery at the Corporate Trust Office of the Depositary, and for further Delivery to such Holder. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission. Upon receipt by the Depositary, the Depositary may make delivery to such person or persons entitled thereto at the Corporate Trust Office of the Depositary of any dividends or cash distributions with respect to the Deposited Securities represented by such American Depositary Shares, or of any proceeds of sale of any dividends, distributions or rights, which may at the time be held by the Depositary.

SECTION 2.7 Limitations on Execution and Delivery, Transfer, etc. of Receipts; Suspension of Delivery, Transfer, etc.

(a) Additional Requirements. As a condition precedent to the execution and Delivery, registration, registration of transfer, split-up, subdivision, combination or surrender of any Receipt, the Delivery of any distribution thereon or withdrawal of any Deposited Securities, the Depositary or the Custodian may require (i) payment from the depositor of Shares or presenter of the Receipt of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in Section 5.9 hereof and Article (9) of Exhibit A hereto, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matter contemplated by Section 3.1 hereof and (iii) compliance with (A) any laws or governmental regulations relating to the execution and Delivery of Receipts or American Depositary Shares or to the withdrawal or Delivery of Deposited Securities and (B) such reasonable regulations and procedures as the Depositary may establish consistent with the provisions of this Deposit Agreement and applicable law.

(b) Additional Limitations. The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the issuance of ADSs against the deposit of particular Shares may be withheld, or the registration of transfer of Receipts in particular instances may be refused, or the registration of transfers of Receipts generally may be suspended, during any period when the transfer books of the Depositary are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law, any government or governmental body or commission or any securities exchange on which the Receipts or Shares are listed, or under any provision of this Deposit Agreement or provisions of, or governing, the Deposited Securities, or any meeting of shareholders of the Company or for any other reason, subject, in all cases, to Section 7.10 hereof.

SECTION 2.8 Lost Receipts, etc. To the extent the Depositary has issued Receipts in physical certificated form, in case any Receipt shall be mutilated, destroyed, lost or stolen, unless the Depositary has notice that such ADR has been acquired by a bona fide purchaser, subject to Section 5.9 hereof, the Depositary shall execute and Deliver a new Receipt (which, in the discretion of the Depositary may be issued through any book-entry system, including, without limitation, DRS/Profile, unless specifically requested otherwise) in exchange and substitution for such mutilated Receipt upon cancellation thereof, or in lieu of and in substitution for such destroyed, lost or stolen Receipt. Before the Depositary shall execute and Deliver a new Receipt in substitution for a destroyed, lost or stolen Receipt, the Holder thereof shall have (a) filed with the Depositary (i) a request for such execution and delivery before the Depositary has notice that the Receipt has been acquired by a bona fide purchaser and (ii) a sufficient indemnity bond in form and amount acceptable to the Depositary and (b) satisfied any other reasonable requirements imposed by the Depositary.

SECTION 2.9 Cancellation and Destruction of Surrendered Receipts; Maintenance of Records. All Receipts surrendered to the Depositary shall be cancelled by the Depositary. The Depositary is authorized to destroy Receipts so cancelled in accordance with its customary practices. Cancelled Receipts shall not be entitled to any benefits under this Deposit Agreement or be valid or obligatory for any purpose.

SECTION 2.10 Pre-Release. Subject to the further terms and provisions of this Section 2.10, the Depositary, its Affiliates and their agents, on their own behalf, may own and deal in any class of securities of the Company and its Affiliates and in ADSs. In its capacity as Depositary, the Depositary shall not lend Shares or ADSs; provided, however, that the Depositary may, unless otherwise agreed with or instructed by the Company, (i) issue ADSs prior to the receipt of Shares pursuant to Section 2.3 hereof and (ii) Deliver Shares prior to the receipt and cancellation of ADSs which were issued under (i) above but for which Shares may not yet have been received (each such transaction, a “**Pre-Release Transaction**”). The Depositary may receive ADSs in lieu of Shares under (i) above and receive Shares in lieu of ADSs under (ii) above. Each such Pre-Release Transaction will be (a) accompanied by or subject to a written agreement whereby the person or entity (the “**Applicant**”) to whom ADSs or Shares are to be Delivered (1) represents that at the time of the Pre-Release Transaction the Applicant or its customer owns the Shares or ADSs that are to be Delivered by the Applicant under such Pre-Release Transaction, (2) agrees to indicate the Depositary as owner of such Shares or ADSs in its records and to hold such Shares or ADSs in trust for the Depositary until such Shares or ADSs are Delivered to the Depositary or the Custodian, (3) unconditionally guarantees to deliver to the Depositary or the Custodian, as applicable, such Shares or ADSs and (4) agrees to any additional restrictions or requirements that the Depositary deems appropriate, (b) at all times fully collateralized with cash, United States government securities or such other collateral as the Depositary deems appropriate, (c) terminable by the Depositary on not more than five Business Days’ notice (save for a prescribed termination event in which case any such Pre-Release Transaction may be immediately terminable by the Depositary) and (d) subject to such further indemnities and credit regulations as the Depositary deems appropriate. The Depositary will normally limit the number of ADSs and Shares involved in such Pre-Release Transactions at any one time to 30% of the ADSs outstanding (without giving effect to ADSs outstanding pursuant to any Pre-Release Transaction under (i) above), *provided, however*, that the Depositary reserves the right to change or disregard such limit from time to time as it deems appropriate. The Depositary may also set limits with respect to the number of ADSs and Shares involved in Pre-Release Transactions with any one person on a case by case basis as it deems appropriate.

The Depositary may retain for its own account any compensation received by it in conjunction with the foregoing. Collateral provided pursuant to (b) above, but not the earnings thereon, shall be held as security for the performance of the Applicant’s obligations in respect of the relevant Pre-Release Transaction and shall not constitute Deposited Securities.

SECTION 2.11 Restricted ADSs. The Depositary shall, at the request and expense of the Company, establish procedures enabling the deposit hereunder of Shares that are Restricted Securities in order to enable the holder of such Shares to hold its ownership interests in such restricted Shares in the form of ADSs issued under the terms hereof (such Shares, “**Restricted Shares**”). Upon receipt of a written request from the Company to accept Restricted Shares for deposit hereunder, the Depositary agrees to establish procedures permitting the deposit of such Restricted Shares and the issuance of ADSs representing such deposited Restricted Shares (such ADSs, the “**Restricted ADSs**,” and the ADRs evidencing such Restricted ADSs, the “**Restricted ADRs**”). The Company shall assist the Depositary in the establishment of such procedures and agrees that it shall take all steps necessary and reasonably satisfactory to the Depositary to insure that the establishment of such procedures does not violate the provisions of the Securities Act or any other applicable laws. The depositors of such Restricted Shares and the holders of the Restricted ADSs may be required prior to the deposit of such Restricted Shares, the transfer of the Restricted ADRs and the Restricted ADSs evidenced thereby or the withdrawal of the Restricted Shares represented by Restricted ADSs to provide such written certifications or agreements as the Depositary or the Company may require. The Company shall provide to the Depositary in writing the legend(s) to be affixed to the Restricted ADRs, which legends shall (i) be in a form reasonably satisfactory to the Depositary and (ii) contain the specific circumstances under which the Restricted ADRs and the Restricted ADSs represented thereby may be transferred or the Restricted Shares withdrawn. The Restricted ADSs issued upon the deposit of Restricted Shares shall be separately identified on the books of the Depositary and the Restricted Shares so deposited shall be held separate and distinct from the other Deposited Securities held hereunder. The Restricted Shares and the Restricted ADSs shall not be eligible for Pre-Release Transactions. The Restricted ADSs shall not be eligible for inclusion in any book-entry settlement system, including, without limitation, DTC, and shall not in any way be fungible with the ADSs issued under the terms hereof that are not Restricted ADSs. The Restricted ADRs and the Restricted ADSs evidenced thereby shall be transferable only by the Holder thereof upon delivery to the Depositary of (i) all documentation otherwise contemplated by this Deposit Agreement and (ii) an Opinion of Counsel setting forth, inter alia, the conditions upon which the Restricted ADR presented is, and the Restricted ADSs evidenced thereby are, transferable by the Holder thereof under applicable securities laws and the transfer restrictions contained in the legend set forth on the Restricted ADR presented for transfer. Except as set forth in this Section 2.11 and except as required by applicable law, the Restricted ADRs and the Restricted ADSs evidenced thereby shall be treated as ADRs and ADSs issued and outstanding under the terms of the Deposit Agreement. In the event that, in determining the rights and obligations of parties hereto with respect to any Restricted ADSs, any conflict arises between (a) the terms of this Deposit Agreement (other than this Section 2.11) and (b) the terms of (i) this Section 2.11 or (ii) the applicable Restricted ADR, the terms and conditions set forth in this Section 2.11 and of the Restricted ADR shall be controlling and shall govern the rights and obligations of the parties to this Deposit Agreement pertaining to the deposited Restricted Shares, the Restricted ADSs and Restricted ADRs.

If any of the Restricted ADRs, the Restricted ADSs and the Restricted Shares are no longer Restricted Securities, the Depositary, upon receipt of (x) an Opinion of Counsel setting forth, inter alia, that such Restricted ADRs, Restricted ADSs and Restricted Shares are not as of such time Restricted Securities, and (y) instructions from the Company to remove the restrictions applicable to such Restricted ADRs, Restricted ADSs and the Restricted Shares, shall (i) eliminate the distinctions and separations between such Restricted Shares held on deposit under this Section 2.11 and the other Shares held on deposit under the terms of the Deposit Agreement that are not Restricted Shares, (ii) treat such newly unrestricted ADRs and ADSs on the same terms as, and fully fungible with, the other ADRs and ADSs issued and outstanding under the terms of the Deposit Agreement that are not Restricted ADRs or Restricted ADSs, (iii) take all actions necessary to remove any distinctions, limitations and restrictions previously existing under this Section 2.11 between such Restricted ADRs and Restricted ADSs, respectively, on the one hand, and the other ADRs and ADSs that are not Restricted ADRs or Restricted ADSs, respectively, on the other hand, including, without limitation, by making the newly unrestricted ADSs eligible for Pre-Release Transactions and for inclusion in the applicable book-entry settlement systems.

SECTION 2.12 Maintenance of Records. The Depositary agrees to maintain records of all Receipts surrendered and Deposited Securities withdrawn under Section 2.6, substitute Receipts Delivered under Section 2.8 and cancelled or destroyed Receipts under Section 2.9, in keeping with the procedures ordinarily followed by stock transfer agents located in the United States.

ARTICLE III.

CERTAIN OBLIGATIONS OF HOLDERS AND BENEFICIAL OWNERS OF RECEIPTS

SECTION 3.1 Proofs, Certificates and Other Information. Any depositor presenting Shares for deposit and any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depositary or the Custodian such proof of citizenship or residence, taxpayer status, payment of all applicable taxes or other governmental charges, exchange control approval, legal or beneficial ownership of ADSs and Deposited Securities, compliance with applicable laws and the terms of this Deposit Agreement and the provisions of, or governing, the Deposited Securities or other information; to execute such certifications and to make such representations and warranties, and to provide such other information and documentation as the Depositary may deem necessary or proper or as the Company may reasonably require by written request to the Depositary consistent with its obligations hereunder. The Depositary and the Registrar, as applicable, may, and at the request of the Company shall, withhold the execution or Delivery or registration of transfer of any Receipt or the distribution or sale of any dividend or distribution of rights or of the proceeds thereof, or to the extent not limited by the terms of Section 7.10 hereof, the Delivery of any Deposited Securities, until such proof or other information is filed or such certifications are executed, or such representations and warranties are made, or such other documentation or information provided, in each case to the Depositary's and the Company's satisfaction. The Depositary shall from time to time on written request advise the Company of the availability of any such proofs, certificates or other information and shall, at the Company's sole expense, provide or otherwise make available copies thereof to the Company upon written request therefor by the Company, unless such disclosure is prohibited by law. Each Holder and Beneficial Owner agrees to provide any information requested by the Company or the Depositary pursuant to this Section 3.1. Nothing herein shall obligate the Depositary to (i) obtain any information for the Company if not provided by the Holders or Beneficial Owners or (ii) verify or vouch for the accuracy of the information so provided by the Holders or Beneficial Owners.

SECTION 3.2 Liability for Taxes and Other Charges. If any present or future tax or other governmental charge shall become payable by the Depositary or the Custodian with respect to any ADR or any Deposited Securities or American Depositary Shares, such tax or other governmental charge shall be payable by the Holders and Beneficial Owners to the Depositary and such Holders and Beneficial Owners shall be deemed liable therefor. The Company, the Custodian and/or the Depositary may withhold or deduct from any distributions made in respect of Deposited Securities and may sell for the account of a Holder and/or Beneficial Owner any or all of the Deposited Securities and apply such distributions and sale proceeds in payment of such taxes (including applicable interest and penalties) and charges, with the Holder and the Beneficial Owner remaining fully liable for any deficiency. In addition to any other remedies available to it, the Depositary and the Custodian may refuse the deposit of Shares, and the Depositary may refuse to issue ADSs, to Deliver ADRs, register the transfer, split-up or combination of ADRs and (subject to Section 7.10 hereof) the withdrawal of Deposited Securities, until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depositary, the Company, the Custodian, and each of their respective agents, officers, directors, employees and Affiliates for, and to hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any tax benefit obtained for such Holder and/or Beneficial Owner. The obligations of Holders and Beneficial Owners of Receipts under this Section 3.2 shall survive any transfer of Receipts, any surrender of Receipts and withdrawal of Deposited Securities, or the termination of this Deposit Agreement.

SECTION 3.3 Representations and Warranties on Deposit of Shares. Each person presenting Shares for deposit under this Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares and the certificates therefor are duly authorized, validly issued, fully paid, non-assessable and were legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares have been validly waived or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim and are not, and the American Depositary Shares issuable upon such deposit will not be, Restricted Securities (except as contemplated by Section 2.11), (v) the Shares presented for deposit have not been stripped of any rights or entitlements and (vi) the Shares are not subject to any lock-up agreement with the Company or other party, or the Shares are subject to a lock-up agreement but such lock-up agreement has terminated or the lock-up restrictions imposed thereunder have expired. Such representations and warranties shall survive the deposit and withdrawal of Shares, the issuance and cancellation of American Depositary Shares in respect thereof and the transfer of such American Depositary Shares. If any such representations or warranties are false in any way, the Company and the Depositary shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

SECTION 3.4 Compliance with Information Requests. Notwithstanding any other provision of this Deposit Agreement, the Articles of Association and applicable law, each Holder and Beneficial Owner agrees to (a) provide such information as the Company or the Depositary may request pursuant to law (including, without limitation, relevant Indian law, any applicable law of the United States, the Memorandum and Articles of Association, any resolutions of the Company's Board of Directors adopted pursuant to the Memorandum and Articles of Association, the requirements of any markets or exchanges upon which the Shares, ADSs or Receipts are listed or traded, or to any requirements of any electronic book-entry system by which the ADSs or Receipts may be transferred), and (b) be bound by and subject to applicable provisions of the laws of India, the Memorandum and Articles of Association and the requirements of any markets or exchanges upon which the ADSs, Receipts or Shares are listed or traded, or pursuant to any requirements of any electronic book-entry system by which the ADSs, Receipts or Shares may be transferred, to the same extent as if such Holder and Beneficial Owner held Shares directly, in each case irrespective of whether or not they are Holders or Beneficial Owners at the time such request is made. The Depositary agrees to use its reasonable efforts to forward upon the request of the Company, and at the Company's expense, any such request from the Company to the Holders and to forward to the Company any such responses to such requests received by the Depositary.

ARTICLE IV.

THE DEPOSITED SECURITIES

SECTION 4.1 Cash Distributions. Whenever the Depositary receives confirmation from the Custodian of receipt of any cash dividend or other cash distribution on any Deposited Securities, or receives proceeds from the sale of any Shares, rights, securities or other entitlements under the terms hereof, the Depositary will, if at the time of receipt thereof any amounts received in a foreign currency can in the judgment of the Depositary (pursuant to Section 4.6 hereof) be converted on a practicable basis into Dollars transferable to the United States, promptly convert or cause to be converted such cash dividend, distribution or proceeds into Dollars (on the terms described in Section 4.6 hereof) and will distribute promptly the amount thus received (net of (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes and/or governmental charges) to the Holders of record as of the ADS Record Date in proportion to the number of American Depositary Shares held by such Holders respectively as of the ADS Record Date. The Depositary shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent. Any such fractional amounts shall be rounded to the nearest whole cent and so distributed to Holders entitled thereto. Holders and Beneficial Owners understand that in converting Foreign Currency, amounts received on conversion are calculated at a rate which exceeds three or four decimal places (the number of decimal places used by the Depositary to report distribution rates). The excess amount may be retained by the Depositary as an additional cost of conversion, irrespective of any other fees and expenses payable or owing hereunder and shall not be subject to escheatment. If the Company, the Custodian or the Depositary is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs representing such Deposited Securities shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depositary to the relevant governmental authority. Evidence of payment thereof by the Company shall be forwarded by the Company to the Depositary upon request. The Depositary shall forward to the Company or its agent such information from its records as the Company may reasonably request to enable the Company or its agent to file necessary reports with governmental agencies, such reports necessary to obtain benefits under the applicable tax treaties for the Holders and Beneficial Owners of Receipts.

SECTION 4.2 Distribution in Shares. If any distribution upon any Deposited Securities consists of a dividend in, or free distribution of, Shares, the Company shall cause such Shares to be deposited with the Custodian and registered, as the case may be, in the name of the Depositary, the Custodian or any of their nominees. Upon receipt of confirmation of such deposit from the Custodian, the Depositary shall establish the ADS Record Date upon the terms described in Section 4.7 hereof and shall, subject to Section 5.9 hereof, either (i) distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in the aggregate the number of Shares received as such dividend, or free distribution, subject to the other terms of this Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes and/or governmental charges), or (ii) if additional ADSs are not so distributed, each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional Shares distributed upon the Deposited Securities represented thereby (net of (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes and/or governmental charges). In lieu of Delivering fractional ADSs, the Depositary shall sell the number of Shares represented by the aggregate of such fractions and distribute the proceeds upon the terms described in Section 4.1 hereof. The Depositary may withhold any such distribution of Receipts if it has not received satisfactory assurances from the Company (including an Opinion of Counsel furnished at the expense of the Company) that such distribution does not require registration under the Securities Act or is exempt from registration under the provisions of the Securities Act. To the extent such distribution may be withheld, the Depositary may dispose of all or a portion of such distribution in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable, and the Depositary shall distribute the net proceeds of any such sale (after deduction of applicable taxes and/or governmental charges and fees and charges of, and expenses incurred by, the Depositary) to Holders entitled thereto upon the terms described in Section 4.1 hereof.

The Depositary has been informed that, pursuant to the terms of a contribution agreement dated as of December 31, 2014, as amended, entered into between the Company and Silver Eagle Acquisition Corp and filed as an exhibit to the Company's effective registration statement on Form F-4 dated [●] (the "Contribution Agreement"), the existing shareholders of the Company as of [●] ([as specified in the Contribution Agreement]) will be entitled to be issued an additional 46.72 million Shares and Global Eagle Acquisition LLC, being the Sponsor ([as specified in the Contribution Agreement]) will be entitled to be issued an additional 5.20 million Shares increasing ratably to a maximum of 8.00 million Shares, based on the applicable actual contribution amount following the Closing (as defined in the Contribution Agreement) subject to the achievement of certain ADS price targets during a period of three years following the Closing Date (as defined in the Contribution Agreement) (each such issuance of additional Shares of the Company to the current shareholders of the Company and the Sponsor is hereinafter referred to as the "Earn-out" and such shares are referred to as the "Earn-out Shares").

Any Earn-out Shares issued to the existing shareholders of the Company as of [●] and the Sponsor will be issued by way of a bonus issue of Shares (or such other form as determined by the independent members of the Board of Directors of the Company), in accordance with the applicable Indian laws. In the event that such Shares are issued by way of a bonus issue, the holders of the ADSs, other than the Sponsor, shall have no interest in or entitlement to Shares issued pursuant to such bonus. In accordance with, and as authorized under, the terms of the Company's Articles of Association, the holders of the ADSs shall be deemed (i) to have waived their interest in or entitlement to equity shares issued pursuant to such Earn-out and (ii) to have authorized the Company to instruct the Depositary to accept for deposit any Earn-Out Shares as may be required to effect the Earn-Out pursuant to the Contribution Agreement and the Company's Articles of Association, subject to Section 2.3 and Section 2.11 of this Agreement. The Depositary may refrain from taking any action with respect to the Earn-out Shares if it has not received satisfactory assurances from the Company (including an Opinion of Counsel from the Company) that such actions, instructions or any issuances of ADSs in relation thereto (i) do not require registration under the Securities Act or are exempt from registration thereunder and (ii) do not violate the Company's organizational documents, the Contribution Agreement or New York law, Indian law or any other applicable laws or regulations.

SECTION 4.3 Elective Distributions in Cash or Shares. Whenever the Company intends to distribute a dividend payable at the election of the holders of Shares in cash or in additional Shares, the Company shall give notice thereof to the Depositary at least 30 days prior to the proposed distribution stating whether or not it wishes such elective distribution to be made available to Holders of ADSs. Upon receipt of notice indicating that the Company wishes such elective distribution to be made available to Holders of ADSs, the Depositary shall consult with the Company to determine, and the Company shall assist the Depositary in its determination, whether it is lawful and reasonably practicable to make such elective distribution available to the Holders of ADSs. The Depositary shall make such elective distribution available to Holders only if (i) the Company shall have timely requested that the elective distribution is available to Holders of ADRs, (ii) the Depositary shall have determined that such distribution is reasonably practicable and (iii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7 hereof. If the above conditions are not satisfied, the Depositary shall, to the extent permitted by law, distribute to the Holders, on the basis of the same determination as is made in the local market in respect of the Shares for which no election is made, either cash upon the terms described in Section 4.1 hereof or additional ADSs representing such additional Shares upon the terms described in Section 4.2 hereof. If the above conditions are satisfied, the Depositary shall establish an ADS Record Date (on the terms described in Section 4.7 hereof) and establish procedures to enable Holders to elect the receipt of the proposed dividend in cash or in additional ADSs. The Company shall assist the Depositary in establishing such procedures to the extent necessary. Subject to Section 5.9 hereof, if a Holder elects to receive the proposed dividend in cash, the dividend shall be distributed upon the terms described in Section 4.1 hereof or in ADSs, the dividend shall be distributed upon the terms described in Section 4.2 hereof. Nothing herein shall obligate the Depositary to make available to Holders a method to receive the elective dividend in Shares (rather than ADSs). There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares.

SECTION 4.4 Distribution of Rights to Purchase Shares.

(a) Distribution to ADS Holders. Whenever the Company intends to distribute to the holders of the Deposited Securities rights to subscribe for additional Shares, the Company shall give notice thereof to the Depositary at least 45 days prior to the proposed distribution stating whether or not it wishes such rights to be made available to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such rights to be made available to Holders of ADSs, the Depositary shall consult with the Company to determine, and the Company shall determine, whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depositary shall make such rights available to Holders only if (i) the Company shall have timely requested that such rights be made available to Holders, (ii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7 hereof and (iii) the Depositary shall have determined that such distribution of rights is lawful and reasonably practicable. In the event any of the conditions set forth above are not satisfied, the Depositary shall proceed with the sale of the rights as contemplated in Section 4.4(b) below or, if timing or market conditions may not permit, do nothing thereby allowing such rights to lapse. In the event all conditions set forth above are satisfied, the Depositary shall establish an ADS Record Date (upon the terms described in Section 4.7 hereof) and establish procedures to distribute such rights (by means of warrants or otherwise) and to enable the Holders to exercise the rights (upon payment of applicable fees and charges of, and expenses incurred by, the Depositary and taxes and/or other governmental charges). Nothing herein shall obligate the Depositary to make available to the Holders a method to exercise such rights to subscribe for Shares (rather than ADSs).

(b) Sale of Rights. If (i) the Company does not timely request the Depositary to make the rights available to Holders or requests that the rights not be made available to Holders, (ii) the Depositary fails to receive satisfactory documentation within the terms of Section 5.7 hereof or determines it is not lawful or reasonably practicable to make the rights available to Holders or (iii) any rights made available are not exercised and appear to be about to lapse, the Depositary shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity or otherwise, at such place and upon such terms (including public or private sale) as it may deem proper. The Company shall assist the Depositary to the extent necessary to determine such legality and practicability. The Depositary shall, upon such sale, convert and distribute proceeds of such sale (net of applicable fees and charges of, and expenses incurred by, the Depositary and taxes and/or governmental charges) upon the terms set forth in Section 4.1 hereof.

(c) Lapse of Rights. If the Depositary is unable to make any rights available to Holders upon the terms described in Section 4.4(a) hereof or to arrange for the sale of the rights upon the terms described in Section 4.4(b) hereof, the Depositary shall allow such rights to lapse.

The Depositary shall not be responsible for (i) any failure to determine that it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale or exercise or (iii) the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything to the contrary in this Section 4.4, if registration (under the Securities Act or any other applicable law) of the rights or the securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depositary will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act covering such offering is in effect or (ii) unless the Company furnishes at its expense the Depositary with opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case satisfactory to the Depositary, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws. In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of property (including rights) an amount on account of taxes and/or other governmental charges, the amount distributed to the Holders shall be reduced accordingly. In the event that the Depositary determines that any distribution in property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes and/or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to exercise rights on the same terms and conditions as the holders of Shares or be able to exercise such rights. Nothing herein shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights or otherwise to register or qualify the offer or sale of such rights or securities under the applicable law of any other jurisdiction for any purpose.

SECTION 4.5 Distributions Other Than Cash, Shares or Rights to Purchase Shares.

(a) Whenever the Company intends to distribute to the holders of Deposited Securities property other than cash, Shares or rights to purchase additional Shares, the Company shall give notice thereof to the Depositary at least 30 days prior to the proposed distribution and shall indicate whether or not it wishes such distribution to be made to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such distribution be made to Holders of ADSs, the Depositary shall determine whether such distribution to Holders is lawful and practicable. The Depositary shall not make such distribution unless (i) the Company shall have timely requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7 hereof and (iii) the Depositary shall have determined that such distribution is reasonably practicable.

(b) Upon receipt of satisfactory documentation and the request of the Company to distribute property to Holders of ADSs and after making the requisite determinations set forth in (a) above, the Depositary may distribute the property so received to the Holders of record as of the ADS Record Date, in proportion to the number of ADSs held by such Holders respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary and (ii) net of any taxes and/or other governmental charges. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) and other governmental charges applicable to the distribution.

(c) If (i) the Company does not request the Depositary to make such distribution to Holders or requests not to make such distribution to Holders, (ii) the Depositary does not receive satisfactory documentation within the terms of Section 5.7 hereof or (iii) the Depositary determines that all or a portion of such distribution is not reasonably practicable or feasible, the Depositary shall endeavor to sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem proper and shall distribute the net proceeds, if any, of such sale received by the Depositary (net of applicable fees and charges of, and expenses incurred by, the Depositary and taxes and/or governmental charges) to the Holders as of the ADS Record Date upon the terms of Section 4.1 hereof. If the Depositary is unable to sell such property, the Depositary may dispose of such property in any way it deems reasonably practicable under the circumstances for nominal or no consideration and Holders and Beneficial Owners shall have no rights thereto or arising therefrom.

SECTION 4.6 Conversion of Foreign Currency. Whenever the Depositary or the Custodian shall receive Foreign Currency, by way of dividends or other distributions or the net proceeds from the sale of securities, property or rights, and in the judgment of the Depositary such Foreign Currency can at such time be converted on a practicable basis (by sale or in any other manner that it may determine in accordance with applicable law) into Dollars transferable to the United States and distributable to the Holders entitled thereto, the Depositary shall convert or cause to be converted, by sale or in any other manner that it may determine, such Foreign Currency into Dollars, and shall distribute such Dollars (net of any fees, expenses, taxes and/or other governmental charges incurred in the process of such conversion) in accordance with the terms of the applicable sections of this Deposit Agreement. If the Depositary shall have distributed warrants or other instruments that entitle the holders thereof to such Dollars, the Depositary shall distribute such Dollars to the holders of such warrants and/or instruments upon surrender thereof for cancellation, in either case without liability for interest thereon. Such distribution may be made upon an averaged or other practicable basis without regard to any distinctions among Holders on account of exchange restrictions, the date of delivery of any Receipt or otherwise.

In converting Foreign Currency, amounts received on conversion may be calculated at a rate which exceeds the number of decimal places used by the Depositary to report distribution rates (which in any case will not be less than two decimal places). Any excess amount may be retained by the Depositary as an additional cost of conversion, irrespective of any other fees and expenses payable or owing hereunder and shall not be subject to escheatment.

If such conversion or distribution can be effected only with the approval or license of any government or agency thereof, the Depositary may file such application for approval or license, if any, as it may deem necessary, practicable and at nominal cost and expense. Nothing herein shall obligate the Depositary to file or cause to be filed, or to seek effectiveness of any such application or license.

If at any time the Depositary shall determine that in its judgment the conversion of any Foreign Currency and the transfer and distribution of proceeds of such conversion received by the Depositary is not practical or lawful, or if any approval or license of any governmental authority or agency thereof that is required for such conversion, transfer and distribution is denied, or not obtainable at a reasonable cost, within a reasonable period or otherwise sought, the Depositary shall, in its sole discretion but subject to applicable laws and regulations, either (i) distribute the Foreign Currency (or an appropriate document evidencing the right to receive such Foreign Currency) received by the Depositary to the Holders entitled to receive such Foreign Currency or (ii) hold such Foreign Currency uninvested and without liability for interest thereon for the respective accounts of the Holders entitled to receive the same.

SECTION 4.7 Fixing of Record Date. Whenever necessary in connection with any distribution (whether in cash, Shares, rights, or other distribution), or whenever for any reason the Depositary causes a change in the number of Shares that are represented by each American Depositary Share, or whenever the Depositary shall receive notice of any meeting of or solicitation of holders of Shares or other Deposited Securities, or whenever the Depositary shall find it necessary or convenient, the Depositary shall fix a record date (the "ADS Record Date"), as close as practicable to the record date fixed by the Company with respect to the Shares, for the determination of the Holders who shall be entitled to receive such distribution, to give instructions to the Depositary for the exercise of voting rights at any such meeting, to give or withhold such consent, to receive such notice or solicitation or to otherwise take action or to exercise the rights of Holders with respect to such changed number of Shares represented by each American Depositary Share. Subject to applicable law and the provisions of Sections 4.1 through 4.6 hereof and to the other terms and conditions of this Deposit Agreement, only the Holders of record at the close of business in New York on such ADS Record Date shall be entitled to receive such distribution, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

SECTION 4.8 Voting of Deposited Securities. Subject to the next sentence, as soon as practicable after receipt of notice of any meeting at which the holders of Deposited Securities are entitled to vote, or of solicitation of consents or proxies from holders of Deposited Securities, the Depositary shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy. The Depositary shall, if requested by the Company in writing in a timely manner (the Depositary having no obligation to take any further action if the request shall not have been received by the Depositary at least 21 Business Days prior to the date of such vote or meeting) and at the Company's expense, and provided no U.S. legal prohibitions exist, mail by regular, ordinary mail delivery (or by electronic mail or as otherwise may be agreed between the Company and the Depositary in writing from time to time) or otherwise distribute as soon as practicable after receipt thereof to Holders as of the ADS Record Date: (a) such notice of meeting or solicitation of consent or proxy; (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of this Deposit Agreement, the Company's Memorandum and Articles of Association and the provisions of or governing the Deposited Securities (which provisions, if any, shall be summarized in pertinent part by the Company), to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder's American Depositary Shares; and (c) a brief statement as to the manner in which such voting instructions may be given to the Depositary, or in which instructions may be deemed to have been given in accordance with this Section 4.8, including an express indication that instructions may be given (or be deemed to have been given in accordance with the immediately following paragraph of this section if no instruction is received) to the Depositary to give a discretionary proxy to a person or persons designated by the Company. Voting instructions may be given only in respect of a number of American Depositary Shares representing an integral number of Deposited Securities. Upon the timely receipt of voting instructions of a Holder on the ADS Record Date in the manner specified by the Depositary, the Depositary shall endeavor, insofar as practicable and permitted under applicable law, the provisions of this Deposit Agreement, the Company's Memorandum and Articles of Association and the provisions of or governing the Deposited Securities, to vote or cause the Custodian to vote the Deposited Securities (in person or by proxy) represented by American Depositary Shares evidenced by such Receipt in accordance with such voting instructions.

In the event that (i) the Depositary timely receives voting instructions from a Holder which fail to specify the manner in which the Depositary is to vote the Deposited Securities represented by such Holder's ADSs or (ii) no timely instructions are received by the Depositary from a Holder with respect to any of the Deposited Securities represented by the ADSs held by such Holder on the ADS Record Date, the Depositary shall (unless otherwise specified in the notice distributed to Holders) deem such Holder to have instructed the Depositary to give a discretionary proxy to a person designated by the Company with respect to such Deposited Securities and the Depositary shall give a discretionary proxy to a person designated by the Company to vote such Deposited Securities, provided, however, that no such instruction shall be deemed to have been given and no such discretionary proxy shall be given with respect to any matter as to which the Company informs the Depositary (and the Company agrees to provide such information as promptly as practicable in writing, if applicable) that (x) the Company does not wish to give such proxy, (y) the Company is aware or should reasonably be aware that substantial opposition exists from Holders against the outcome for which the person designated by the Company would otherwise vote or (z) the outcome for which the person designated by the Company would otherwise vote would materially and adversely affect the rights of holders of Deposited Securities, provided, further, that the Company will have no liability to any Holder or Beneficial Owner resulting from such notification.

In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with the Memorandum and Articles of Association, the Depositary will refrain from voting and the voting instructions (or the deemed voting instructions, as set out above) received by the Depositary from Holders shall lapse. The Depositary will have no obligation to demand voting on a poll basis with respect to any resolution and shall have no liability to any Holder or Beneficial Owner for not having demanded voting on a poll basis.

Neither the Depositary nor the Custodian shall, under any circumstances exercise any discretion as to voting, and neither the Depositary nor the Custodian shall vote, attempt to exercise the right to vote, or in any way make use of for purposes of establishing a quorum or otherwise, the Deposited Securities represented by ADSs except pursuant to and in accordance with such written instructions from Holders, including the deemed instruction to the Depositary to give a discretionary proxy to a person designated by the Company. Deposited Securities represented by ADSs for which (i) no timely voting instructions are received by the Depositary from the Holder, or (ii) timely voting instructions are received by the Depositary from the Holder but such voting instructions fail to specify the manner in which the Depositary is to vote the Deposited Securities represented by such Holder's ADSs, shall be voted in the manner provided in this Section 4.8. Notwithstanding anything else contained herein, and subject to applicable law, regulation and the Memorandum and Articles of Association, the Depositary shall, if so requested in writing by the Company, represent all Deposited Securities (whether or not voting instructions have been received in respect of such Deposited Securities from Holders as of the ADS Record Date) for the purpose of establishing quorum at a meeting of shareholders.

There can be no assurance that Holders or Beneficial Owners generally or any Holder or Beneficial Owner in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depositary in a timely manner.

Notwithstanding the above, save for applicable provisions of the law of India, and in accordance with the terms of Section 5.3 hereof, the Depositary shall not be liable for any failure to carry out any instructions to vote any of the Deposited Securities or the manner in which such vote is cast or the effect of such vote.

SECTION 4.9 Changes Affecting Deposited Securities. Upon any change in face value, split-up, subdivision, cancellation, consolidation or any other reclassification of Deposited Securities or upon any recapitalization, reorganization, amalgamation, merger or consolidation or sale of assets affecting the Company or to which it is otherwise a party, any securities which shall be received by the Depositary or the Custodian in exchange for, or in conversion of or replacement or otherwise in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Securities under this Deposit Agreement and the Receipts shall, subject to the provisions of this Deposit Agreement and applicable law, evidence American Depositary Shares representing the right to receive such additional securities. Alternatively, the Depositary may, with the Company's approval, and shall, if the Company shall so request, subject to the terms of this Deposit Agreement and receipt of an Opinion of Counsel furnished at the Company's expense satisfactory to the Depositary (stating that such distributions are not in violation of any applicable laws or regulations), execute and deliver additional Receipts, as in the case of a stock dividend on the Shares, or call for the surrender of outstanding Receipts to be exchanged for new Receipts. In either case, as well as in the event of newly deposited Shares, necessary modifications to the form of Receipt contained in Exhibit A and Exhibit B hereto, specifically describing such new Deposited Securities and/or corporate change, shall also be made. The Company agrees that it will, jointly with the Depositary, amend the Registration Statement on Form F-6 as filed with the Commission to permit the issuance of such new form of Receipt. Notwithstanding the foregoing, in the event that any security so received may not be lawfully distributed to some or all Holders, the Depositary may, with the Company's approval, and shall, if the Company requests, subject to receipt of an Opinion of Counsel (furnished at the Company's expense) satisfactory to the Depositary that such action is not in violation of any applicable laws or regulations, sell such securities at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of fees and charges of, and expenses incurred by, the Depositary and taxes and/or governmental charges) for the account of the Holders otherwise entitled to such securities upon an averaged or other practicable basis without regard to any distinctions among such Holders and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to Section 4.1 hereof. The Depositary shall not be responsible for (i) any failure to determine that it may be lawful or feasible to make such securities available to Holders in general or to any Holder in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale or (iii) any liability to the purchaser of such securities.

SECTION 4.10 Available Information. The Company is subject to the periodic reporting requirements of the Exchange Act applicable to foreign private issuers (as defined in Rule 405 of the Securities Act) and accordingly files certain information with the Commission. These reports and documents can be inspected and copied at the Commission's website at www.sec.gov or at the public reference facilities maintained by the Commission located at 100 F Street, N.E., Washington D.C. 20549, U.S.A.

SECTION 4.11 Reports. The Depositary shall make available during normal business hour on any Business Day for inspection by Holders at its Corporate Trust Office any reports and communications, including any proxy soliciting materials, received from the Company which are both received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Securities and made generally available to the holders of such Deposited Securities by the Company. The Company agrees to provide to the Depositary, at the Company's expense, all documents that it provides to the Custodian. The Depositary shall, at the expense of the Company (unless otherwise agreed in writing by the Company and the Depositary), and in accordance with Section 5.6 hereof, also mail by regular, ordinary mail delivery or by electronic transmission (if agreed by the Company and the Depositary) and unless otherwise agreed in writing by the Company and the Depositary, to Holders copies of such reports when furnished by the Company pursuant to Section 5.6 hereof.

SECTION 4.12 List of Holders. Promptly upon written request by the Company, the Depositary shall furnish to it a list, as of a recent date, of the names, addresses and holdings of American Depositary Shares by all persons in whose names Receipts are registered on the books of the Depositary.

SECTION 4.13 Taxation; Withholding. The Depositary will, and will instruct the Custodian to, forward to the Company or its agents such information from its records as the Company may request to enable the Company or its agents to file necessary tax reports with governmental authorities or agencies. The Depositary, the Custodian or the Company and its agents may, but shall not be obligated to, file such reports as are necessary to reduce or eliminate applicable taxes on dividends and on other distributions in respect of Deposited Securities under applicable tax treaties or laws for the Holders and Beneficial Owners. Holders and Beneficial Owners of American Depositary Shares may be required from time to time, and in a timely manner, to file such proof of taxpayer status, residence and beneficial ownership (as applicable), to execute such certificates and to make such representations and warranties, or to provide any other information or documents, as the Depositary or the Custodian may deem necessary or proper to fulfill the Depositary's or the Custodian's obligations under applicable law. The Holders and Beneficial Owners shall indemnify the Depositary, the Company, the Custodian and any of their respective directors, employees, agents and Affiliates against, and hold each of them harmless from, any claims by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced rate of withholding at source or other tax benefit obtained by the Beneficial Owner or Holder.

The Company shall remit to the appropriate governmental authority or agency any amounts required to be withheld by the Company and owing to such governmental authority or agency. Upon any such withholding, the Company shall remit to the Depository information, in a form reasonably satisfactory to the Depository, about such taxes and/or governmental charges withheld or paid, and, if so requested, the tax receipt (or other proof of payment to the applicable governmental authority) therefor. The Depository shall, to the extent required by U.S. law, report to Holders (i) any taxes withheld by it; (ii) any taxes withheld by the Custodian, subject to information being provided to the Depository by the Custodian and (iii) any taxes withheld by the Company, subject to information being provided to the Depository by the Company. The Depository and the Custodian shall not be required to provide the Holders with any evidence of the remittance by the Company (or its agents) of any taxes withheld, or of the payment of taxes by the Company, except to the extent the evidence is provided by the Company to the Depository. None of the Depository, the Custodian or the Company shall be liable for the failure by any Holder or Beneficial Owner to obtain the benefits of credits on the basis of non-U.S. tax paid against such Holder's or Beneficial Owner's income tax liability.

In the event that the Depository determines that any distribution in property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charge which the Depository is obligated to withhold, the Depository shall withhold the amount required to be withheld and may by public or private sale dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner as the Depository deems necessary and practicable to pay such taxes and/or charges and the Depository shall distribute the net proceeds of any such sale after deduction of such taxes and/or charges to the Holders entitled thereto in proportion to the number of American Depositary Shares held by them respectively.

The Depository is under no obligation to provide the Holders and Beneficial Owners with any information about the tax status of the Company. The Depository shall not incur any liability for any tax consequences that may be incurred by Holders and Beneficial Owners on account of their ownership of the American Depositary Shares.

ARTICLE V.

THE DEPOSITARY, THE CUSTODIAN AND THE COMPANY

SECTION 5.1 Maintenance of Office and Transfer Books by the Registrar. Until termination of this Deposit Agreement in accordance with its terms, the Depository or if a Registrar for the Receipts shall have been appointed, the Registrar shall maintain in the Borough of Manhattan, the City of New York, an office and facilities for the execution and delivery, registration, registration of transfers, combination and split-up of Receipts, the surrender of Receipts and the delivery and withdrawal of Deposited Securities in accordance with the provisions of this Deposit Agreement.

The Depository or the Registrar as applicable, shall keep books for the registration of Receipts and transfers of Receipts which at all reasonable times shall be open for inspection by the Company and by the Holders of such Receipts, provided that such inspection shall not be, to the Depository's or the Registrar's knowledge, for the purpose of communicating with Holders of such Receipts in the interest of a business or object other than the business of the Company or other than a matter related to this Deposit Agreement or the Receipts.

The Depository or the Registrar, as applicable, may close the transfer books with respect to the Receipts, at any time and from time to time, when deemed necessary or advisable by it in connection with the performance of its duties hereunder, or at the reasonable written request of the Company.

If any Receipts or the American Depositary Shares evidenced thereby are listed on one or more stock exchanges or automated quotation systems in the United States, the Depositary shall act as Registrar or appoint a Registrar or one or more co-registrars for registration of Receipts and transfers, combinations and split-ups, and to countersign such Receipts in accordance with any requirements of such exchanges or systems. Such Registrar or co-registrars may be removed and a substitute or substitutes appointed by the Depositary.

If any Receipts or the American Depositary Shares evidenced thereby are listed on one or more securities exchanges, markets or automated quotation systems, (i) the Depositary shall be entitled to, and shall, take or refrain from taking such action(s) as it may deem necessary or appropriate to comply with the requirements of such securities exchange(s), market(s) or automated quotation system(s) applicable to it, notwithstanding any other provision of this Deposit Agreement; and (ii) upon the reasonable request of the Depositary, the Company shall provide the Depositary such information and assistance as may be reasonably necessary for the Depositary to comply with such requirements, to the extent that the Company may lawfully do so.

Each Registrar and co-registrar appointed under this Section 5.1 shall give notice in writing to the Depositary accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

SECTION 5.2 Exoneration. None of the Depositary, the Custodian or the Company shall be obligated to do or perform any act which is inconsistent with the provisions of this Deposit Agreement or shall incur any liability to Holders, Beneficial Owners or any third parties (i) if the Depositary, the Custodian or the Company or their respective controlling persons or agents shall be prevented or forbidden from, or delayed in, doing or performing any act or thing required by the terms of this Deposit Agreement, by reason of any provision of any present or future law or regulation of the United States or any state thereof, India or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of the possible criminal or civil penalties or restraint, or by reason of any provision, present or future, of the Memorandum and Articles of Association or any provision of or governing any Deposited Securities, or by reason of any act of God or war or other circumstances beyond its control (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, revolutions, rebellions, explosions and computer failure), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in this Deposit Agreement or in the Memorandum and Articles of Association or provisions of or governing Deposited Securities, (iii) for any action or inaction of the Depositary, the Custodian or the Company or their respective controlling persons or agents in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for the inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of this Deposit Agreement, made available to Holders of American Depositary Shares or (v) for any special, consequential, indirect or punitive damages for any breach of the terms of this Deposit Agreement or otherwise.

The Depositary, its controlling persons, its agents, the Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request, opinion or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

No disclaimer of liability under the Securities Act is intended by any provision of this Deposit Agreement.

SECTION 5.3 Standard of Care. The Company and the Depositary and their respective directors, officers, affiliates, employees and agents assume no obligation and shall not be subject to any liability under this Deposit Agreement or any Receipts to any Holder(s) or Beneficial Owner(s) or other persons, except in accordance with Section 5.8 hereof, provided, that the Company and the Depositary and their respective directors, officers, affiliates, employees and agents agree to perform their respective obligations specifically set forth in this Deposit Agreement or the applicable ADRs without gross negligence or willful misconduct.

Without limitation of the foregoing, neither the Depositary, nor the Company, nor any of their respective controlling persons, directors, officers, affiliates, employees or agents, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Securities or in respect of the Receipts, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expenses (including fees and disbursements of counsel) and liabilities be furnished as often as may be required (and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depositary).

The Depositary and its directors, officers, affiliates, employees and agents shall not be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effects of any vote. The Depositary shall not incur any liability for any failure to determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Securities, for the validity or worth of the Deposited Securities or for any tax consequences that may result from the ownership of ADSs, Shares or Deposited Securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of this Deposit Agreement or for the failure or timeliness of any notice from the Company, or for any action or non action by it in reliance upon the opinion, advice of or information from legal counsel, accountants, any person representing Shares for deposit, any Holder or any other person believed by it in good faith to be competent to give such advice or information. The Depositary and its agents shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with any matter arising wholly after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without gross negligence or willful misconduct while it acted as Depositary.

SECTION 5.4 Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary hereunder by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company (whereupon the Depositary shall, in the event no successor depositary has been appointed by the Company, be entitled to take the actions contemplated in Section 6.2 hereof) and (ii) the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided, save that, any amounts, fees, costs or expenses owed to the Depositary hereunder or in accordance with any other agreements otherwise agreed in writing between the Company and the Depositary from time to time shall be paid to the Depositary prior to such resignation.

The Company shall use reasonable efforts to appoint such successor depositary, and give notice to the Depositary of such appointment, not more than 90 days after delivery by the Depositary of written notice of resignation as provided in this Section 5.4. In the event that notice of the appointment of a successor depositary is not provided by the Company in accordance with the preceding sentence, the Depositary shall be entitled to take the actions contemplated in Section 6.2 hereof.

The Depositary may at any time be removed by the Company by written notice of such removal, which removal shall be effective on the later of (i) the 90th day after delivery thereof to the Depositary (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2 hereof if a successor depositary has not been appointed), and (ii) the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided, save that, any amounts, fees, costs or expenses owed to the Depositary hereunder or in accordance with any other agreements otherwise agreed in writing between the Company and the Depositary from time to time shall be paid to the Depositary prior to such removal.

In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its best efforts to appoint a successor depositary, which shall be a bank or trust company having an office in the Borough of Manhattan, the City of New York. Every successor depositary shall be required by the Company to execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed (except as required by applicable law), shall become fully vested with all the rights, powers, duties and obligations of its predecessor. The predecessor depositary, upon payment of all sums due to it and on the written request of the Company, shall (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in Sections 5.8 and 5.9 hereof), (ii) duly assign, transfer and deliver all right, title and interest to the Deposited Securities to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding Receipts and such other information relating to Receipts and Holders thereof as the successor may reasonably request. Any such successor depositary shall promptly mail notice of its appointment to such Holders.

Any corporation into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

SECTION 5.5 The Custodian. The Custodian or its successors in acting hereunder shall be subject at all times and in all respects to the direction of the Depositary for the Deposited Securities for which the Custodian acts as custodian and shall be responsible solely to it. If any Custodian resigns or is discharged from its duties hereunder with respect to any Deposited Securities and no other Custodian has previously been appointed hereunder, the Depositary shall promptly appoint a substitute custodian. The Depositary shall require such resigning or discharged Custodian to deliver the Deposited Securities held by it, together with all such records maintained by it as Custodian with respect to such Deposited Securities as the Depositary may request, to the Custodian designated by the Depositary. Whenever the Depositary determines, in its discretion, that it is appropriate to do so, it may appoint an additional entity to act as Custodian with respect to any Deposited Securities, or discharge the Custodian with respect to any Deposited Securities and appoint a substitute custodian, which shall thereafter be Custodian hereunder with respect to the Deposited Securities. After any such change, the Depositary shall give notice thereof in writing to all Holders.

Upon the appointment of any successor depository, any Custodian then acting hereunder shall, unless otherwise instructed by the Depository, continue to be the Custodian of the Deposited Securities without any further act or writing and shall be subject to the direction of the successor depository. The successor depository so appointed shall, nevertheless, on the written request of any Custodian, execute and deliver to such Custodian all such instruments as may be proper to give to such Custodian full and complete power and authority to act on the direction of such successor depository.

SECTION 5.6 Notices and Reports. On or before the first date on which the Company gives notice, by publication or otherwise, of any meeting of holders of Shares or other Deposited Securities, or of any adjourned meeting of such holders, or of the taking of any action by such holders other than at a meeting, or of the taking of any action in respect of any cash or other distributions or the offering of any rights in respect of Deposited Securities, the Company shall transmit to the Depository and the Custodian a copy of the notice thereof in English but otherwise in the form given or to be given to holders of Shares or other Deposited Securities. The Company shall also furnish to the Custodian and the Depository a summary, in English, of any applicable provisions or proposed provisions of the Memorandum and Articles of Association that may be relevant or pertain to such notice of meeting or be the subject of a vote thereat.

The Company will also transmit to the Depository (a) English language versions of the other notices, reports and communications which are made generally available by the Company to holders of its Shares or other Deposited Securities and (b) English language versions of the Company's annual and other reports prepared in accordance with the applicable requirements of the Commission. The Depository shall arrange, at the request of the Company and at the Company's expense, for the mailing of copies thereof to all Holders, or by any other means as agreed between the Company and the Depository (at the Company's expense) or make such notices, reports and other communications available for inspection by all Holders, provided, that, the Depository shall have received evidence sufficiently satisfactory to it, including in the form of an Opinion of Counsel regarding U.S. law or of any other applicable jurisdiction, furnished at the expense of the Company, as the Depository reasonably requests, that the distribution of such notices, reports and any such other communications to Holders from time to time is valid and does not or will not infringe any local, U.S. or other applicable jurisdiction regulatory restrictions or requirements if so distributed and made available to Holders. The Company will timely provide the Depository with the quantity of such notices, reports, and communications, as requested by the Depository from time to time, in order for the Depository to effect such mailings. The Company has delivered to the Depository and the Custodian a copy of the Memorandum and Articles of Association along with the provisions of or governing the Shares and any other Deposited Securities issued by the Company or any Affiliate of the Company, in connection with the Shares, in each case, to the extent not in English, along with a certified English translation thereof, and promptly upon any amendment thereto or change therein, the Company shall deliver to the Depository and the Custodian a copy of such amendment thereto or change therein, to the extent not in English, along with a certified English translation thereof. The Depository may rely upon such copy for all purposes of this Deposit Agreement.

The Depositary will make available a copy of any such notices, reports or communications issued by the Company and delivered to the Depositary for inspection by the Holders of the Receipts evidencing the American Depositary Shares representing such Shares governed by such provisions at the Depositary's Corporate Trust Office, at the office of the Custodian and at any other designated transfer office.

SECTION 5.7 Issuance of Additional Shares, ADSs etc. The Company agrees that in the event it or any of its Affiliates proposes (i) an issuance, sale or distribution of additional Shares, (ii) an offering of rights to subscribe for Shares or other Deposited Securities, (iii) an issuance of securities convertible into or exchangeable for Shares, (iv) an issuance of rights to subscribe for securities convertible into or exchangeable for Shares, (v) an elective dividend of cash or Shares, (vi) a redemption of Deposited Securities, (vii) a meeting of holders of Deposited Securities, or solicitation of consents or proxies, relating to any reclassification of securities, merger, subdivision, amalgamation or consolidation or transfer of assets or (viii) any reclassification, recapitalization, reorganization, merger, amalgamation, consolidation or sale of assets which affects the Deposited Securities, it will obtain U.S. legal advice and take all steps necessary to ensure that the application of the proposed transaction to Holders and Beneficial Owners does not violate the registration provisions of the Securities Act, or any other applicable laws (including, without limitation, the Investment Company Act of 1940, as amended, the Exchange Act or the securities laws of the states of the United States). In support of the foregoing, the Company will furnish to the Depositary at its request, at the Company's expense, (a) a written opinion of U.S. counsel (satisfactory to the Depositary) stating whether or not application of such transaction to Holders and Beneficial Owners (1) requires a registration statement under the Securities Act to be in effect or (2) is exempt from the registration requirements of the Securities Act and/or (3) dealing with such other issues requested by the Depositary; (b) a written opinion of Indian counsel (satisfactory to the Depositary) stating that (1) making the transaction available to Holders and Beneficial Owners does not violate the laws or regulations of India and (2) all requisite regulatory consents and approvals have been obtained in India; and (c) as the Depositary may request, a written Opinion of Counsel in any other jurisdiction in which Holders or Beneficial Owners reside to the effect that making the transaction available to such Holders or Beneficial Owners does not violate the laws or regulations of such jurisdiction. If the filing of a registration statement is required, the Depositary shall not have any obligation to proceed with the transaction unless it shall have received evidence reasonably satisfactory to it that such registration statement has been declared effective and that such distribution is in accordance with all applicable laws or regulations. If, being advised by counsel, the Company determines that a transaction is required to be registered under the Securities Act, the Company will either (i) register such transaction to the extent necessary, (ii) alter the terms of the transaction to avoid the registration requirements of the Securities Act or (iii) direct the Depositary to take specific measures, in each case as contemplated in this Deposit Agreement, to prevent such transaction from violating the registration requirements of the Securities Act.

The Company agrees with the Depositary that neither the Company nor any of its Affiliates will at any time (i) deposit any Shares or other Deposited Securities, either upon original issuance or upon a sale of Shares or other Deposited Securities previously issued and reacquired by the Company or by any such Affiliate, or (ii) issue additional Shares, rights to subscribe for such Shares, securities convertible into or exchangeable for Shares or rights to subscribe for such securities, unless such transaction and the securities issuable in such transaction are exempt from registration under the Securities Act or have been registered under the Securities Act (and such registration statement has been declared effective).

Notwithstanding anything else contained in this Deposit Agreement, nothing in this Deposit Agreement shall be deemed to obligate the Company to file any registration statement in respect of any proposed transaction.

SECTION 5.8 Indemnification. The Company agrees to indemnify the Depositary, any Custodian and each of their respective directors, officers, employees, agents and Affiliates against, and hold each of them harmless from, any direct losses, liabilities, taxes, costs, claims, judgments, proceedings, actions, demands and any charges or expenses of any kind whatsoever (including, but not limited to, reasonable fees and expenses of counsel, in each case, irrevocable value added tax and any similar tax charged or otherwise imposed in respect thereof) (collectively referred to as “**Losses**”) which the Depositary or any agent thereof may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers and duties under this Agreement or that may arise (a) out of or in connection with any offer, issuance, sale, resale, transfer, deposit or withdrawal of Receipts, American Depositary Shares, the Shares, or other Deposited Securities, as the case may be, (b) out of or in connection with any offering documents in respect thereof or (c) out of or in connection with acts performed or omitted, including, but not limited to, any delivery by the Depositary on behalf of the Company of information regarding the Company in connection with this Deposit Agreement, the Receipts, the American Depositary Shares, the Shares, or any Deposited Securities, in any such case (i) by the Depositary, the Custodian or any of their respective directors, officers, employees, agents and Affiliates, except to the extent any such Losses arise out of the gross negligence or wilful misconduct of any of them, or (ii) by the Company or any of its directors, officers, employees, agents and Affiliates. Notwithstanding the above, in no event shall the Company or any of its directors, officers, employees, agents and/or Affiliates be liable for (a) any indirect, special, punitive or consequential damages to the Depositary, any Custodian and each of their respective directors, officers, employees, agents and Affiliates or any other person, or (b) any Losses arising out of information relating to the Depositary or any Custodian, as the case may be, furnished in writing by the Depositary to the Company expressly for use in any registration statement, proxy statement, prospectus or preliminary prospectus or any other offering documents relating to the Receipts, the American Depositary Share, the Shares or any Deposited Securities.

The Depositary agrees to indemnify the Company and hold it harmless from any direct Losses which may arise out of acts performed or omitted to be performed by the Depositary arising out of the gross negligence or wilful misconduct of the Depositary or any of its directors, officers or employees, agents and/or Affiliates. Notwithstanding the above, in no event shall the Depositary or any of its directors, officers, employees, agents and/or Affiliates be liable for any indirect, special punitive or consequential damages to the Company, Holders, Beneficial Owners or any other person.

Any person seeking indemnification hereunder (an “**Indemnified Person**”) shall notify the person from whom it is seeking indemnification (the “**Indemnifying Person**”) of the commencement of any indemnifiable action or claim promptly after such Indemnified Person becomes aware of such commencement (provided that the failure to make such notification shall not affect such Indemnified Person’s rights to indemnification except to the extent the Indemnifying Person is materially prejudiced by such failure) and shall consult in good faith with the Indemnifying Person as to the conduct of the defense of such action or claim that may give rise to an indemnity hereunder, which defense shall be reasonable under the circumstances. No Indemnified Person shall compromise or settle any action or claim that may give rise to an indemnity hereunder without the consent of the Indemnifying Person, which consent shall not be unreasonably withheld.

The obligations set forth in this Section shall survive the termination of this Deposit Agreement and the succession or substitution of any party hereto.

SECTION 5.9 Fees and Charges of Depositary. The Company, the Holders, the Beneficial Owners, and persons depositing Shares or surrendering ADSs for cancellation and withdrawal of Deposited Securities shall be required to pay to the Depositary the Depositary’s fees and related charges identified as payable by them respectively as provided for under Article (9) of Exhibit A hereto. All fees and charges so payable may, at any time and from time to time, be changed by agreement between the Depositary and the Company, but, in the case of fees and charges payable by Holders and Beneficial Owners, only in the manner contemplated in Section 6.1 hereof. The Depositary shall provide, without charge, a copy of its latest fee schedule to anyone upon request.

The Depositary and the Company may reach separate agreement in relation to the payment of any additional remuneration to the Depositary in respect of any exceptional duties which the Depositary finds necessary or desirable and agreed by both parties in the performance of its obligations hereunder and in respect of the actual costs and expenses of the Depositary in respect of any notices required to be given to the Holders in accordance with Article (20) of Exhibit B hereto.

In connection with any payment by the Company to the Depositary:

- (i) all fees, taxes, duties, charges, costs and expenses which are payable by the Company shall be paid or be procured to be paid by the Company (and any such amounts which are paid by the Depositary shall be reimbursed to the Depositary by the Company upon demand therefor);
- (ii) such payment shall be subject to all necessary applicable exchange control and other consents and approvals having been obtained. The Company undertakes to use its reasonable endeavours to obtain all necessary approvals that are required to be obtained by it in this connection; and
- (iii) the Depositary may request, in its sole but reasonable discretion after reasonable consultation with the Company, an Opinion of Counsel regarding U.S. law, the laws of India or of any other relevant jurisdiction, to be furnished at the expense of the Company, if at any time it deems it necessary to seek such an Opinion of Counsel regarding the validity of any action to be taken or instructed to be taken under this Agreement.

The Company agrees to promptly pay to the Depositary such other fees, charges and expenses and to reimburse the Depositary for such out-of-pocket expenses as the Depositary and the Company may agree to in writing from time to time. Responsibility for payment of such charges may at any time and from time to time be changed by agreement between the Company and the Depositary.

All payments by the Company to the Depositary under this Clause 5.9 shall be paid without set-off or counterclaim, and free and clear of and without deduction or withholding for or on account of, any present or future taxes, levies, imports, duties, fees, assessments or other charges of whatever nature, imposed by India or by any department, agency or other political subdivision or taxing authority thereof or therein, and all interest, penalties or similar liabilities with respect thereto.

The right of the Depositary to receive payment of fees, charges and expenses as provided above shall survive the termination of this Deposit Agreement. As to any Depositary, upon the resignation or removal of such Depositary as described in Section 5.4 hereof, such right shall extend for those fees, charges and expenses incurred prior to the effectiveness of such resignation or removal.

SECTION 5.10 Restricted Securities Owners/Ownership Restrictions. From time to time or upon request of the Depositary, the Company shall provide to the Depositary a list setting forth, to the actual knowledge of the Company, those persons or entities who beneficially own Restricted Securities and the Company shall update such list on a regular basis. The Depositary may rely on such list or update but shall not be liable for any action or omission made in reliance thereon. The Company agrees to advise in writing each of the persons or entities who, to the knowledge of the Company, holds Restricted Securities that such Restricted Securities are ineligible for deposit hereunder (except under the circumstances contemplated in Section 2.11) and, to the extent practicable, shall require each of such persons to represent in writing that such person will not deposit Restricted Securities hereunder (except under the circumstances contemplated in Section 2.11). The Company shall, in accordance with Article (24) of Exhibit B hereto, inform Holders and Beneficial Owners and the Depositary of any other limitations on ownership of Shares that the Holders and Beneficial Owners may be subject to by reason of the number of ADSs held under the Articles of Association or applicable Indian law, as such restrictions may be in force from time to time.

The Company may, in its sole discretion, but subject to applicable law, instruct the Depositary to take action with respect to the ownership interest of any Holder or Beneficial Owner pursuant to the Memorandum and Articles of Association, including but not limited to, the removal or limitation of voting rights or the mandatory sale or disposition on behalf of a Holder or Beneficial Owner of the Shares represented by the ADRs held by such Holder or Beneficial Owner in excess of such limitations, if and to the extent such disposition is permitted by applicable law and the Memorandum and Articles of Association; provided that any such measures are practicable and legal and can be undertaken without undue burden or expense, and provided further the Depositary's agreement to the foregoing is conditional upon it being advised of any applicable changes in the Memorandum and Articles of Association. The Depositary shall have no liability for any actions taken in accordance with such instructions.

ARTICLE VI.

AMENDMENT AND TERMINATION

SECTION 6.1 Amendment/Supplement. Subject to the terms and conditions of this Section 6.1 and applicable law, the Receipts outstanding at any time, the provisions of this Deposit Agreement and the form of Receipt attached hereto and to be issued under the terms hereof may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depositary in any respect which they may deem necessary or desirable and not materially prejudicial to the Holders without the consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than charges in connection with foreign exchange control regulations, and taxes and/or other governmental charges, delivery and other such expenses payable by Holders or Beneficial Owners), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding Receipts until 30 days after notice of such amendment or supplement shall have been given to the Holders of outstanding Receipts. Notice of any amendment to the Deposit Agreement or form of Receipts shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, provided, however, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (i.e., upon retrieval from the Commission's, the Depositary's or the Company's website or upon request from the Depositary). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depositary) in order for (a) the American Depositary Shares to be registered on Form F-6 under the Securities Act or (b) the American Depositary Shares or the Shares to be traded solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such American Depositary Share or Shares, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement as amended and supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such Receipt and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require amendment or supplement of the Deposit Agreement to ensure compliance therewith, the Company and the Depositary may amend or supplement the Deposit Agreement and the Receipt at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the Deposit Agreement in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, rules or regulations.

SECTION 6.2 Termination. The Depositary shall, at any time at the written direction of the Company, terminate this Deposit Agreement by mailing notice of such termination to the Holders of all Receipts then outstanding at least 60 days prior to the date fixed in such notice for such termination, provided that, the Depositary shall be reimbursed for any amounts, fees, costs or expenses owed to it in accordance with the terms of this Deposit Agreement and in accordance with any other agreements as otherwise agreed in writing between the Company and the Depositary from time to time, prior to such termination shall take effect. If 90 days shall have expired after (i) the Depositary shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depositary a written notice of the removal of the Depositary, and in either case a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4 hereof, the Depositary may terminate this Deposit Agreement by mailing notice of such termination to the Holders of all Receipts then outstanding at least 30 days prior to the date fixed for such termination. On and after the date of termination of this Deposit Agreement, the Holder will, upon surrender of such Receipt at the Corporate Trust Office of the Depositary, upon the payment of the charges of the Depositary for the surrender of Receipts referred to in Section 2.6 hereof and subject to the conditions and restrictions therein set forth, and upon payment of any applicable taxes and/or governmental charges, be entitled to Delivery, to him or upon his order, of the amount of Deposited Securities represented by such Receipt. If any Receipts shall remain outstanding after the date of termination of this Deposit Agreement, the Registrar thereafter shall discontinue the registration of transfers of Receipts, and the Depositary shall suspend the distribution of dividends to the Holders thereof, and shall not give any further notices or perform any further acts under this Deposit Agreement, except that the Depositary shall continue to collect dividends and other distributions pertaining to Deposited Securities, shall sell rights or other property as provided in this Deposit Agreement, and shall continue to Deliver Deposited Securities, subject to the conditions and restrictions set forth in Section 2.6 hereof, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any rights or other property, in exchange for Receipts surrendered to the Depositary (after deducting, or charging, as the case may be, in each case, the charges of the Depositary for the surrender of a Receipt, any expenses for the account of the Holder in accordance with the terms and conditions of this Deposit Agreement and any applicable taxes and/or governmental charges or assessments). At any time after the expiration of six months from the date of termination of this Deposit Agreement, the Depositary may sell the Deposited Securities then held hereunder and may thereafter hold uninvested the net proceeds of any such sale, together with any other cash then held by it hereunder, in an unsegregated account, without liability for interest for the pro rata benefit of the Holders of Receipts whose Receipts have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under this Deposit Agreement with respect to the Receipts and the Shares, Deposited Securities and American Depositary Shares, except to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case, the charges of the Depositary for the surrender of a Receipt, any expenses for the account of the Holder in accordance with the terms and conditions of this Deposit Agreement and any applicable taxes and/or governmental charges or assessments). Upon the termination of this Deposit Agreement, the Company shall be discharged from all obligations under this Deposit Agreement except for its obligations to the Depositary hereunder.

ARTICLE VII.

MISCELLANEOUS

SECTION 7.1 Counterparts. This Deposit Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same agreement. Copies of this Deposit Agreement shall be maintained with the Depositary and shall be open to inspection by any Holder during business hours.

SECTION 7.2 No Third-Party Beneficiaries. This Deposit Agreement is for the exclusive benefit of the parties hereto (and their successors) and shall not be deemed to give any legal or equitable right, remedy or claim whatsoever to any other person, except to the extent specifically set forth in this Deposit Agreement. Nothing in this Deposit Agreement shall be deemed to give rise to a partnership or joint venture among the parties hereto nor establish a fiduciary or similar relationship among the parties. The parties hereto acknowledge and agree that (i) the Depositary and its Affiliates may at any time have multiple banking relationships with the Company and its Affiliates, (ii) the Depositary and its Affiliates may be engaged at any time in transactions in which parties adverse to the Company or the Holders or Beneficial Owners may have interests and (iii) nothing contained in this Agreement shall (a) preclude the Depositary or any of its Affiliates from engaging in such transactions or establishing or maintaining such relationships, or (b) obligate the Depositary or any of its Affiliates to disclose such transactions or relationships or to account for any profit made or payment received in such transactions or relationships.

SECTION 7.3 Severability. In case any one or more of the provisions contained in this Deposit Agreement or in the Receipts should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

SECTION 7.4 Holders and Beneficial Owners as Parties; Binding Effect. The Holders and Beneficial Owners from time to time of American Depositary Shares shall be parties to the Deposit Agreement and shall be bound by all of the terms and conditions hereof and of any Receipt by acceptance hereof or any beneficial interest therein.

SECTION 7.5 Notices. Any and all notices to be given to the Company shall be deemed to have been duly given if personally delivered or sent by first-class mail, air courier or cable, telex, facsimile transmission or electronic transmission, confirmed by letter, addressed to [Videocon d2h Limited], [1st Floor, Techweb Centre, NewLink Road, Oshiwara Jogeshwari (West), Mumbai 400 102 Maharashtra, India], Attention: [Saurabh Pradipkumar Dhoot] or to any other address which the Company may specify in writing to the Depositary.

Any and all notices to be given to the Depositary shall be deemed to have been duly given if personally delivered or sent by first-class mail, air courier or cable, telex, facsimile transmission or by electronic transmission (if agreed by the Company and the Depositary), at the Company's expense, unless otherwise agreed in writing between the Company and the Depositary, confirmed by letter, addressed to Deutsche Bank Trust Company Americas, 60 Wall Street, New York, New York 10005, USA, Attention: ADR Department, telephone: +1 212 250-9100, facsimile: + 1 212 797 0327 or to any other address which the Depositary may specify in writing to the Company.

Any and all notices to be given to any Holder shall be deemed to have been duly given if personally delivered or sent by first-class mail or cable, telex, facsimile transmission or by electronic transmission (if agreed by the Company and the Depositary), at the Company's expense, unless otherwise agreed in writing between the Company and the Depositary, addressed to such Holder at the address of such Holder as it appears on the transfer books for Receipts of the Depositary, or, if such Holder shall have filed with the Depositary a written request that notices intended for such Holder be mailed to some other address, at the address specified in such request. Notice to Holders shall be deemed to be notice to Beneficial Owners for all purposes of this Deposit Agreement.

Delivery of a notice sent by mail, air courier or cable, telex, facsimile or electronic transmission shall be deemed to be effective at the time when a duly addressed letter containing the same (or a confirmation thereof in the case of a cable, telex, facsimile or electronic transmission) is deposited, postage prepaid, in a post-office letter box or delivered to an air courier service. The Depositary or the Company may, however, act upon any cable, telex, facsimile or electronic transmission received by it from the other or from any Holder, notwithstanding that such cable, telex, facsimile or electronic transmission shall not subsequently be confirmed by letter as aforesaid, as the case may be.

SECTION 7.6 Governing Law and Jurisdiction. This Deposit Agreement and the Receipts shall be interpreted in accordance with, and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, the laws of the State of New York without reference to the principles of choice of law thereof. Except as set forth in the following paragraph of this Section 7.6, the Company and the Depositary agree that the federal or state courts in the City of New York shall have non-exclusive jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute between them that may arise out of or in connection with this Deposit Agreement and, for such purposes, each irrevocably submits to the non-exclusive jurisdiction of such courts. The Company hereby irrevocably designates, appoints and empowers [Law Debenture Corporate Services Inc.], (the “**Process Agent**”), now at [400 Madison Avenue, Suite 4D, New York, NY 10017, United States] as its authorized agent to receive and accept for and on its behalf, and on behalf of its properties, assets and revenues, service by mail of any and all legal process, summons, notices and documents that may be served in any suit, action or proceeding brought against the Company in any federal or state court as described in the preceding sentence or in the next paragraph of this Section 7.6. If for any reason the Process Agent shall cease to be available to act as such, the Company agrees to designate a new agent in The City of New York on the terms and for the purposes of this Section 7.6 reasonably satisfactory to the Depositary. The Company further hereby irrevocably consents and agrees to the service of any and all legal process, summons, notices and documents in any suit, action or proceeding against the Company, by service by mail of a copy thereof upon the Process Agent (whether or not the appointment of such Process Agent shall for any reason prove to be ineffective or such Process Agent shall fail to accept or acknowledge such service), with a copy mailed to the Company by registered or certified air mail, postage prepaid, to its address provided in Section 7.5 hereof. The Company agrees that the failure of the Process Agent to give any notice of such service to it shall not impair or affect in any way the validity of such service or any judgment rendered in any action or proceeding based thereon.

Notwithstanding the foregoing, the Depositary and the Company unconditionally agree that in the event that a Holder or Beneficial Owner brings a suit, action or proceeding against (a) the Company, (b) the Depositary in its capacity as Depositary under this Deposit Agreement or (c) against both the Company and the Depositary, in any state or federal court of the United States, and the Depositary or the Company have any claim, for indemnification or otherwise, against each other arising out of the subject matter of such suit, action or proceeding, then the Company and the Depositary may pursue such claim against each other in the state or federal court in the United States in which such suit, action, or proceeding is pending, and for such purposes, the Company and the Depositary irrevocably submit to the non-exclusive jurisdiction of such courts. The Company agrees that service of process upon the Process Agent in the manner set forth in the preceding paragraph shall be effective service upon it for any suit, action or proceeding brought against it as described in this paragraph.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any actions, suits or proceedings brought in any court as provided in this Section 7.6, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

The Company and the Depositary agree that, notwithstanding the foregoing, with regard to any claim or dispute or difference of whatever nature between the parties hereto arising directly or indirectly from the relationship created by this Deposit Agreement, the Depositary, in its sole discretion, shall be entitled to refer such dispute or difference for final settlement by arbitration (“**Arbitration**”) in accordance with the applicable rules of the American Arbitration Association (the “**Rules**”) then in force, by a sole arbitrator appointed in accordance with the Rules. The seat and place of any reference to Arbitration shall be New York, New York State. The procedural law of any Arbitration shall be New York law and the language to be used in the Arbitration shall be English. The fees of the arbitrator and other costs incurred by the parties in connection with such Arbitration shall be paid by the party that is unsuccessful in such Arbitration.

EACH PARTY TO THE DEPOSIT AGREEMENT (INCLUDING, FOR AVOIDANCE OF DOUBT, EACH HOLDER AND BENEFICIAL OWNER AND/OR HOLDER OF INTERESTS IN THE ADRs) HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING AGAINST THE DEPOSITARY AND/OR THE COMPANY DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE SHARES OR OTHER DEPOSITED SECURITIES, THE ADSs OR THE ADRs, THE DEPOSIT AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREIN OR THEREIN, OR THE BREACH HEREOF OR THEREOF (WHETHER BASED ON CONTRACT, TORT, COMMON LAW OR ANY OTHER THEORY).

The provisions of this Section 7.6 shall survive any termination of this Deposit Agreement, in whole or in part.

SECTION 7.7 Assignment. Subject to the provisions of Section 5.4 hereof, this Deposit Agreement may not be assigned by either the Company or the Depositary.

SECTION 7.8 Agents. The Depositary shall be entitled, in its sole but reasonable discretion, to appoint one or more agents (the “**Agents**”) of which it shall have control for the purpose, *inter alia*, of making distributions to the Holders or otherwise carrying out its obligations under this Agreement.

SECTION 7.9 Exclusivity. The Company agrees not to appoint any other depositary for the issuance or administration of depositary receipts evidencing any class of stock of the Company so long as Deutsche Bank Trust Company Americas is acting as Depositary hereunder.

SECTION 7.10 Compliance with U.S. Securities Laws. Notwithstanding anything in this Deposit Agreement to the contrary, the withdrawal or Delivery of Deposited Securities will not be suspended by the Company or the Depository except as would be permitted by Instruction I.A.(1) of the General Instructions to Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

SECTION 7.11 Titles. All references in this Deposit Agreement to exhibits, Articles, sections, subsections, and other subdivisions refer to the exhibits, Articles, sections, subsections and other subdivisions of this Deposit Agreement unless expressly provided otherwise. The words “**this Deposit Agreement**”, “**herein**”, “**hereof**”, “**hereby**”, “**hereunder**”, and words of similar import refer to the Deposit Agreement as a whole as in effect between the Company, the Depository and the Holders and Beneficial Owners of ADSs and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter gender shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa unless the context otherwise requires. Titles to sections of this Deposit Agreement are included for convenience only and shall be disregarded in construing the language contained in this Deposit Agreement.

IN WITNESS WHEREOF, VIDEOCON D2H LIMITED and DEUTSCHE BANK TRUST COMPANY AMERICAS have duly executed this Deposit Agreement as of the day and year first above set forth and all Holders and Beneficial Owners shall become parties hereto upon acceptance by them of American Depositary Shares evidenced by Receipts issued in accordance with the terms hereof.

VIDEOCON D2H LIMITED

By: _____
Name:
Title:

**DEUTSCHE BANK TRUST COMPANY
AMERICAS**

By: _____
Name:
Title:

By: _____
Name:
Title:

CUSIP _____

ISIN _____

American Depositary
Shares (Each
American Depositary
Share
representing four
Fully Paid Equity Shares)

[FORM OF FACE OF RECEIPT]

AMERICAN DEPOSITARY RECEIPT

for

AMERICAN DEPOSITARY SHARES

representing

DEPOSITED EQUITY SHARES

of

VIDEOCON D2H LIMITED

(Incorporated under the laws of India)

DEUTSCHE BANK TRUST COMPANY AMERICAS, as depositary (herein called the “**Depositary**”), hereby certifies that _____ is the owner of _____ American Depositary Shares (hereinafter “**ADS**”), representing deposited equity shares, each of Face Value of 10 Indian Rupee, including evidence of rights to receive such equity shares (the “**Shares**”) of Videocon d2h Limited, a company incorporated under the laws of India (the “**Company**”). As of the date of the Deposit Agreement (hereinafter referred to), each ADS represents four Shares deposited under the Deposit Agreement with the Custodian which at the date of execution of the Deposit Agreement is Deutsche Bank AG, Hong Kong Branch (the “**Custodian**”). The ratio of Depositary Shares to shares of stock is subject to subsequent amendment as provided in Article IV of the Deposit Agreement. The Depositary’s Corporate Trust Office is located at 60 Wall Street, New York, New York 10005, U.S.A.

(1) The Deposit Agreement. This American Depositary Receipt is one of an issue of American Depositary Receipts (“**Receipts**”), all issued or to be issued upon the terms and conditions set forth in the Deposit Agreement, dated as of [●], 2015 (as amended from time to time, the “**Deposit Agreement**”), by and among the Company, the Depositary, and all Holders and Beneficial Owners from time to time of Receipts issued thereunder, each of whom by accepting a Receipt agrees to become a party thereto and becomes bound by all the terms and conditions thereof. The Deposit Agreement sets forth the rights and obligations of Holders and Beneficial Owners of Receipts and the rights and duties of the Depositary in respect of the Shares deposited thereunder and any and all other securities, property and cash from time to time, received in respect of such Shares and held thereunder (such Shares, other securities, property and cash are herein called “**Deposited Securities**”). Copies of the Deposit Agreement are on file at the Corporate Trust Office of the Depositary and the Custodian.

Each owner and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement, shall be deemed for all purposes to (a) be a party to and bound by the terms of the Deposit Agreement and applicable ADR(s), and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable ADR(s), to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable ADR(s), the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

The statements made on the face and reverse of this Receipt are summaries of certain provisions of the Deposit Agreement and the Memorandum and Articles of Association (as in effect on the date of the Deposit Agreement) and are qualified by and subject to the detailed provisions of the Deposit Agreement, to which reference is hereby made. All capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed thereto in the Deposit Agreement. The Depositary makes no representation or warranty as to the validity or worth of the Deposited Securities. The Depositary has made arrangements for the acceptance of the American Depositary Shares into DTC. Each Beneficial Owner of American Depositary Shares held through DTC must rely on the procedures of DTC and the DTC Participants to exercise and be entitled to any rights attributable to such American Depositary Shares. The Receipt evidencing the American Depositary Shares held through DTC will be registered in the name of a nominee of DTC. So long as the American Depositary Shares are held through DTC or unless otherwise required by law, ownership of beneficial interests in the Receipt registered in the name of DTC (or its nominee) will be shown on, and transfers of such ownership will be effected only through, records maintained by (i) DTC (or its nominee), or (ii) DTC Participants (or their nominees).

(2) Surrender of Receipts and Withdrawal of Deposited Securities. Upon surrender, at the Corporate Trust Office of the Depositary, of ADSs evidenced by this Receipt for the purpose of withdrawal of the Deposited Securities represented thereby, and upon payment of (i) the charges of the Depositary for the making of withdrawals and cancellation of Receipts (as set forth in Section 5.9 of the Deposit Agreement and Article (9) hereof) and (ii) all fees, taxes and/or governmental charges payable in connection with such surrender and withdrawal, and, subject to the terms and conditions of the Deposit Agreement, the Memorandum and Articles of Association, Section 7.10 of the Deposit Agreement, Article (22) hereof and the provisions of or governing the Deposited Securities and other applicable laws, the Holder of the American Depositary Shares evidenced hereby is entitled to Delivery, to him or upon his order, of the Deposited Securities represented by the ADS so surrendered. Subject to the last sentence of this paragraph, such Deposited Securities may be Delivered in certificated form or by electronic Delivery. ADS may be surrendered for the purpose of withdrawing Deposited Securities by Delivery of a Receipt evidencing such ADS (if held in registered form) or by book-entry delivery of such ADS to the Depositary.

A Receipt surrendered for such purposes shall, if so required by the Depositary, be properly endorsed in blank or accompanied by proper instruments of transfer in blank, and if the Depositary so requires, the Holder thereof shall execute and deliver to the Depositary a written order directing the Depositary to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of a person or persons designated in such order. Thereupon, the Depositary shall direct the Custodian to Deliver (without unreasonable delay) at the designated office of the Custodian (subject to the terms and conditions of the Deposit Agreement, to the Memorandum and Articles of Association, and to the provisions of or governing the Deposited Securities and applicable laws, now or hereafter in effect), to or upon the written order of the person or persons designated in the order delivered to the Depositary as provided above, the Deposited Securities represented by such ADSs, together with any certificate or other proper documents of or relating to title for the Deposited Securities or evidence of the electronic transfer thereof (if available) as the case may be to or for the account of such person. The Depositary may make delivery to such person or persons at the Corporate Trust Office of the Depositary of any dividends or distributions with respect to the Deposited Securities represented by such Receipt, or of any proceeds of sale of any dividends, distributions or rights, which may at the time be held by the Depositary.

Subject to Article (4) hereof, in the case of surrender of a Receipt evidencing a number of ADSs representing other than a whole number of Shares, the Depositary shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depositary, either (i) issue and Deliver to the person surrendering such Receipt a new Receipt evidencing American Depositary Shares representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Shares represented by the Receipt so surrendered and remit the proceeds thereof (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes and/or governmental charges) to the person surrendering the Receipt. At the request, risk and expense of any Holder so surrendering a Receipt, and for the account of such Holder, the Depositary shall direct the Custodian to forward (to the extent permitted by law) any cash or other property (other than securities) held in respect of, and any certificate or certificates and other proper documents of or relating to title to, the Deposited Securities represented by such Receipt to the Depositary for Delivery at the Corporate Trust Office of the Depositary, and for further Delivery to such Holder. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission.

(3) Transfers, Split-Ups and Combinations of Receipts. Subject to the terms and conditions of the Deposit Agreement, the Registrar shall register transfers of Receipts on its books, upon surrender at the Corporate Trust Office of the Depositary of a Receipt by the Holder thereof in person or by duly authorized attorney, properly endorsed or accompanied by proper instruments of transfer (including signature guarantees in accordance with standard industry practice) and duly stamped as may be required by the laws of the State of New York and of the United States of America, of India and of any other applicable jurisdiction. Subject to the terms and conditions of the Deposit Agreement, including payment of the applicable fees and expenses incurred by, and charges of, the Depositary, the Depositary shall execute and Deliver a new Receipt(s) (and if necessary, cause the Registrar to countersign such Receipt(s)) and deliver same to or upon the order of the person entitled to such Receipts evidencing the same aggregate number of ADSs as those evidenced by the Receipts surrendered. Upon surrender of a Receipt or Receipts for the purpose of effecting a split-up or combination of such Receipt or Receipts upon payment of the applicable fees and charges of the Depositary, and subject to the terms and conditions of the Deposit Agreement, the Depositary shall execute and deliver a new Receipt or Receipts for any authorized number of ADSs requested, evidencing the same aggregate number of ADSs as the Receipt or Receipts surrendered.

(4) Pre-Conditions to Registration, Transfer, Etc. As a condition precedent to the execution and delivery, registration of transfer, split-up, combination or surrender of any Receipt or withdrawal of any Deposited Securities, the Depositary or the Custodian may require (i) payment from the depositor of Shares or presenter of the Receipt of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in the Deposit Agreement and in this Receipt, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matters and (iii) compliance with (A) any laws or governmental regulations relating to the execution and delivery of Receipts and ADSs or to the withdrawal of Deposited Securities and (B) such reasonable regulations of the Depositary or the Company consistent with the Deposit Agreement and applicable law.

The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the issuance of ADSs against the deposit of particular Shares may be withheld, or the registration of transfer of Receipts in particular instances may be refused, or the registration of transfer of Receipts generally may be suspended, during any period when the transfer books of the Depositary are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law, any government or governmental body or commission or any securities exchange upon which the Receipts or Share are listed, or under any provision of the Deposit Agreement or provisions of, or governing, the Deposited Securities or any meeting of shareholders of the Company or for any other reason, subject in all cases to Article (22) hereof. Notwithstanding any provision of the Deposit Agreement or this Receipt to the contrary, the Holders of Receipts are entitled to surrender outstanding ADSs to withdraw the Deposited Securities at any time subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the deposit of Shares in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and/or similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the Receipts or to the withdrawal of the Deposited Securities, and (iv) other circumstances specifically contemplated by Section I.A.(l) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time). Without limitation of the foregoing, the Depositary shall not knowingly accept for deposit under the Deposit Agreement any Shares or other Deposited Securities required to be registered under the provisions of the Securities Act, unless a registration statement is in effect as to such Shares.

(5) Compliance With Information Requests. Notwithstanding any other provision of the Deposit Agreement or this Receipt, each Holder and Beneficial Owner of the ADSs represented hereby agrees to comply with requests from the Company pursuant to the laws of India, the rules and requirements of the NASDAQ and any other stock exchange on which the Shares are, or will be registered, traded or listed, the Memorandum and Articles of Association, which are made to provide information as to the capacity in which such Holder or Beneficial Owner owns ADSs and regarding the identity of any other person interested in such ADSs and the nature of such interest and various other matters whether or not they are Holders and/or Beneficial Owner at the time of such request. The Depositary agrees to use reasonable efforts to forward any such requests to the Holders and to forward to the Company any such responses to such requests received by the Depositary.

(6) Liability of Holder for Taxes, Duties and Other Charges. If any tax or other governmental charge shall become payable by the Depositary or the Custodian with respect to any Receipt or any Deposited Securities or ADSs, such tax, or other governmental charge shall be payable by the Holders and Beneficial Owners to the Depositary. The Company, the Custodian and/or the Depositary may withhold or deduct from any distributions made in respect of Deposited Securities and may sell for the account of the Holder and/or Beneficial Owner any or all of the Deposited Securities and apply such distributions and sale proceeds in payment of such taxes (including applicable interest and penalties) or charges, with the Holder and the Beneficial Owner hereof remaining fully liable for any deficiency. The Custodian may refuse the deposit of Shares, and the Depositary may refuse to issue ADSs, to deliver Receipts, register the transfer, split-up or combination of ADRs and (subject to Article (22) hereof) the withdrawal of Deposited Securities, until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depositary, the Company, the Custodian and each of their respective agents, directors, employees and Affiliates for, and hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any tax benefit obtained for such Holder and/or Beneficial Owner.

Holders understand that in converting Foreign Currency, amounts received on conversion are calculated at a rate which may exceed the number of decimal places used by the Depositary to report distribution rates (which in any case will not be less than two decimal places). Any excess amount may be retained by the Depositary as an additional cost of conversion, irrespective of any other fees and expenses payable or owing hereunder and shall not be subject to escheatment.

(7) Representations and Warranties of Depositors. Each person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares (and the certificates therefor) are duly authorized, validly issued, fully paid, non-assessable and were legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares, have been validly waived or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and are not, and the ADSs issuable upon such deposit will not be, Restricted Securities (except as contemplated by Section 2.11 of the Deposit Agreement), (v) the Shares presented for deposit have not been stripped of any rights or entitlements and (vi) the Shares are not subject to any lock-up agreement with the Company or other party, or the Shares are subject to a lock-up agreement but such lock-up agreement has terminated or the lock-up restrictions imposed thereunder have expired or been validly waived. Such representations and warranties shall survive the deposit and withdrawal of Shares and the issuance, cancellation and transfer of ADSs. If any such representations or warranties are false in any way, the Company and Depositary shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

(8) Filing Proofs, Certificates and Other Information. Any person presenting Shares for deposit, any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depositary such proof of citizenship or residence, taxpayer status, payment of all applicable taxes and/or other governmental charges, exchange control approval, legal or beneficial ownership of ADSs and Deposited Securities, compliance with applicable laws and the terms of the Deposit Agreement and the provisions of, or governing, the Deposited Securities or other information as the Depositary deems necessary or proper or as the Company may reasonably require by written request to the Depositary consistent with its obligations under the Deposit Agreement. Subject to Article (22) hereof and the terms of the Deposit Agreement, the Depositary and the Registrar, as applicable, may withhold the delivery or registration of transfer of any Receipt or the distribution or sale of any dividend or other distribution of rights or of the proceeds thereof or the delivery of any Deposited Securities until such proof or other information is filed, or such certifications are executed, or such representations and warranties made, or such information and documentation are provided.

(9) Charges of Depositary. The Depositary reserves the right to charge the following fees for the services performed under the terms of the Deposit Agreement, provided, however, that no fees shall be payable upon distribution of cash dividends so long as the charging of such fee is prohibited by the exchange, if any, upon which the ADSs are listed:

- (i) to any person to whom ADSs are issued or to any person to whom a distribution is made in respect of ADS distributions pursuant to stock dividends or other free distributions of stock, bonus distributions, stock splits or other distributions (except where converted to cash), a fee of up to U.S. \$0.05 per ADS so issued under the terms of the Deposit Agreement to be determined by the Depositary;
- (ii) to any person surrendering ADSs for cancellation and withdrawal of Deposited Securities including, *inter alia*, cash distributions made pursuant to a cancellation or withdrawal, a fee of up to U.S. \$0.05 per ADS so surrendered;
- (iii) to any holder of ADSs (including, without limitation, Holders), a fee not in excess of U.S. \$ 5.00 per 100 ADSs held for the distribution of cash dividends;
- (iv) to any holder of ADSs (including, without limitation, Holders), a fee not in excess of U.S. \$ 5.00 per 100 ADSs held for the distribution of cash entitlements (other than cash dividends) and/or cash proceeds, including proceeds from the sale of rights, securities and other entitlements;
- (v) to any holder of ADSs, a fee of up to U.S. \$0.05 per ADS issued upon the exercise of rights; and
- (vi) for the operation and maintenance costs in administering the ADSs an annual fee of up to U.S. \$0.05 per ADS, such fee to be assessed against Holders of record as of the date or dates set by the Depositary as it sees fit and collected at the sole discretion of the Depositary by billing such Holders for such fee or by deducting such fee from one or more cash dividends or other cash distributions.

In addition, Holders, Beneficial Owners, any depositor depositing Shares for deposit and any person surrendering ADSs for cancellation and withdrawal of Deposited Securities will be required to pay the following charges:

- (i) taxes (including applicable interest and penalties) and other governmental charges;
- (ii) such registration fees as may from time to time be in effect for the registration of Shares or other Deposited Securities with the Foreign Registrar and applicable to transfers of Shares or other Deposited Securities to or from the name of the Custodian, the Depositary or any nominees upon the making of deposits and withdrawals, respectively;

- (iii) such cable, telex, facsimile and electronic transmission and delivery expenses as are expressly provided in the Deposit Agreement to be at the expense of the depositor depositing or person withdrawing Shares or Holders and Beneficial Owners of ADSs;
- (iv) the expenses and charges incurred by the Depositary in the conversion of Foreign Currency;
- (v) such fees and expenses as are incurred by the Depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to Shares, Deposited Securities, ADSs and ADRs;
- (vi) the fees and expenses incurred by the Depositary in connection with the delivery of Deposited Securities, including any fees of a central depository for securities in the local market, where applicable;
- (vii) any additional fees, charges, costs or expenses that may be incurred by the Depositary from time to time.

Any other fees and charges of, and expenses incurred by, the Depositary or the Custodian under the Deposit Agreement shall be for the account of the Company unless otherwise agreed in writing between the Company and the Depositary from time to time. All fees and charges may, at any time and from time to time, be changed by agreement between the Depositary and Company but, in the case of fees and charges payable by Holders or Beneficial Owners, only in the manner contemplated by Article (20) hereof.

(10) Title to Receipts. It is a condition of this Receipt, and every successive Holder of this Receipt by accepting or holding the same consents and agrees, that title to this Receipt (and to each ADS evidenced hereby) is transferable by delivery of the Receipt, provided it has been properly endorsed or accompanied by proper instruments of transfer, such Receipt being a certificated security under the laws of the State of New York. Notwithstanding any notice to the contrary, the Depositary may deem and treat the Holder of this Receipt (that is, the person in whose name this Receipt is registered on the books of the Depositary) as the absolute owner hereof for all purposes. The Depositary shall have no obligation or be subject to any liability under the Deposit Agreement or this Receipt to any holder of this Receipt or any Beneficial Owner unless such holder is the Holder of this Receipt registered on the books of the Depositary or, in the case of a Beneficial Owner, such Beneficial Owner or the Beneficial Owner's representative is the Holder registered on the books of the Depositary.

(11) Validity of Receipt. This Receipt shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose, unless this Receipt has been (i) dated, (ii) signed by the manual or facsimile signature of a duly authorized signatory of the Depositary, (iii) if a Registrar for the Receipts shall have been appointed, countersigned by the manual or facsimile signature of a duly authorized signatory of the Registrar and (iv) registered in the books maintained by the Depositary or the Registrar, as applicable, for the issuance and transfer of Receipts. Receipts bearing the facsimile signature of a duly-authorized signatory of the Depositary or the Registrar, who at the time of signature was a duly-authorized signatory of the Depositary or the Registrar, as the case may be, shall bind the Depositary, notwithstanding the fact that such signatory has ceased to be so authorized prior to the execution and delivery of such Receipt by the Depositary or did not hold such office on the date of issuance of such Receipts.

(12) Available Information; Reports; Inspection of Transfer Books. The Company is subject to the periodic reporting requirements of the Exchange Act applicable to foreign private issuers (as defined in Rule 405 of the Securities Act) and accordingly files certain information with the Commission. These reports and documents can be inspected and copied at the public reference facilities maintained by the Commission located at 100 F Street, N.E., Washington D.C. 20549, U.S.A. The Depositary shall make available during normal business hours on any Business Day for inspection by Holders at its Corporate Trust Office any reports and communications, including any proxy soliciting materials, received from the Company which are both (a) received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Securities and (b) made generally available to the holders of such Deposited Securities by the Company.

The Depositary or the Registrar, as applicable, shall keep books for the registration of Receipts and transfers of Receipts which at all reasonable times shall be open for inspection by the Company and by the Holders of such Receipts, provided that such inspection shall not be, to the Depositary's or the Registrar's knowledge, for the purpose of communicating with Holders of such Receipts in the interest of a business or object other than the business of the Company or other than a matter related to the Deposit Agreement or the Receipts.

The Depositary or the Registrar, as applicable, may close the transfer books with respect to the Receipts, at any time or from time to time, when deemed necessary or advisable by it in good faith in connection with the performance of its duties hereunder, or at the reasonable written request of the Company subject, in all cases, to Article (22) hereof.

Dated:

**DEUTSCHE BANK TRUST
COMPANY AMERICAS, as Depositary**

By: _____

By: _____

The address of the Corporate Trust Office of the Depositary is 60 Wall Street, New York, New York 10005, U.S.A.

[FORM OF REVERSE OF RECEIPT]
SUMMARY OF CERTAIN ADDITIONAL PROVISIONS
OF THE DEPOSIT AGREEMENT

(13) Dividends and Distributions in Cash, Shares, etc. Whenever the Depositary receives confirmation from the Custodian of receipt of any cash dividend or other cash distribution on any Deposited Securities, or receives proceeds from the sale of any Shares, rights securities or other entitlements under the Deposit Agreement, the Depositary will, if at the time of receipt thereof any amounts received in a Foreign Currency can, in the judgment of the Depositary (upon the terms of the Deposit Agreement), be converted on a practicable basis, into Dollars transferable to the United States, promptly convert or cause to be converted such dividend, distribution or proceeds into Dollars and will distribute promptly the amount thus received (net of applicable fees and charges of, and expenses incurred by, the Depositary and taxes and/or governmental charges) to the Holders of record as of the ADS Record Date in proportion to the number of ADS representing such Deposited Securities held by such Holders respectively as of the ADS Record Date. The Depositary shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent. Any such fractional amounts shall be rounded to the nearest whole cent and so distributed to Holders entitled thereto. If the Company, the Custodian or the Depositary is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs representing such Deposited Securities shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depositary to the relevant governmental authority. Any Foreign Currency received by the Depositary shall be converted upon the terms and conditions set forth in the Deposit Agreement.

If any distribution upon any Deposited Securities consists of a dividend in, or free distribution of, Shares, the Company shall cause such Shares to be deposited with the Custodian and registered, as the case may be, in the name of the Depositary, the Custodian or their nominees. Upon receipt of confirmation of such deposit, the Depositary shall, subject to and in accordance with the Deposit Agreement, establish the ADS Record Date and either (i) distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in aggregate the number of Shares received as such dividend, or free distribution, subject to the terms of the Deposit Agreement (including, without limitation, the applicable fees and charges of, and expenses incurred by, the Depositary, and taxes and/or governmental charges), or (ii) if additional ADSs are not so distributed, each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional Shares distributed upon the Deposited Securities represented thereby (net of the applicable fees and charges of, and the expenses incurred by, the Depositary, and taxes and/or governmental charges). In lieu of delivering fractional ADSs, the Depositary shall sell the number of Shares represented by the aggregate of such fractions and distribute the proceeds upon the terms set forth in the Deposit Agreement.

In the event that (x) the Depositary determines that any distribution in property (including Shares) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, or, (y) if the Company, in the fulfillment of its obligations under the Deposit Agreement, has either (a) furnished an opinion of U.S. counsel determining that Shares must be registered under the Securities Act or other laws in order to be distributed to Holders (and no such registration statement has been declared effective), or (b) fails to timely deliver the documentation contemplated in the Deposit Agreement, the Depositary may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable, and the Depositary shall distribute the net proceeds of any such sale (after deduction of taxes and/or governmental charges, and fees and charges of, and expenses incurred by, the Depositary) to Holders entitled thereto upon the terms of the Deposit Agreement. The Depositary shall hold and/or distribute any unsold balance of such property in accordance with the provisions of the Deposit Agreement.

Upon timely receipt of a notice indicating that the Company wishes an elective distribution to be made available to Holders upon the terms described in the Deposit Agreement, the Depositary shall, upon provision of all documentation required under the Deposit Agreement, (including, without limitation, any legal opinions the Depositary may request under the Deposit Agreement) determine whether such distribution is lawful and reasonably practicable. If so, the Depositary shall, subject to the terms and conditions of the Deposit Agreement, establish an ADS Record Date according to Article (14) hereof and establish procedures to enable the Holder hereof to elect to receive the proposed distribution in cash or in additional ADSs. If a Holder elects to receive the distribution in cash, the dividend shall be distributed as in the case of a distribution in cash. If the Holder hereof elects to receive the distribution in additional ADSs, the distribution shall be distributed as in the case of a distribution in Shares upon the terms described in the Deposit Agreement. If such elective distribution is not lawful or reasonably practicable or if the Depositary did not receive satisfactory documentation set forth in the Deposit Agreement, the Depositary shall, to the extent permitted by law, distribute to Holders, on the basis of the same determination as is made in India, in respect of the Shares for which no election is made, either (x) cash or (y) additional ADSs representing such additional Shares, in each case, upon the terms described in the Deposit Agreement. Nothing herein shall obligate the Depositary to make available to the Holder hereof a method to receive the elective distribution in Shares (rather than ADSs). There can be no assurance that the Holder hereof will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares.

Upon receipt by the Depositary of a notice indicating that the Company wishes rights to subscribe for additional Shares to be made available to Holders of ADSs, the Company shall determine whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depositary shall make such rights available to any Holders only if the Company shall have timely requested that such rights be made available to Holders, the Depositary shall have received the documentation required by the Deposit Agreement, and the Depositary shall have determined that such distribution of rights is lawful and reasonably practicable. If such conditions are not satisfied, the Depositary shall sell the rights as described below. In the event all conditions set forth above are satisfied, the Depositary shall establish an ADS Record Date and establish procedures (x) to distribute such rights (by means of warrants or otherwise) and (y) to enable the Holders to exercise the rights (upon payment of the applicable fees and charges of, and expenses incurred by, the Depositary and taxes and/or governmental charges). Nothing herein or in the Deposit Agreement shall obligate the Depositary to make available to the Holders a method to exercise such rights to subscribe for Shares (rather than ADSs). If (i) the Company does not timely request the Depositary to make the rights available to Holders or if the Company requests that the rights not be made available to Holders, (ii) the Depositary fails to receive the documentation required by the Deposit Agreement or determines it is not lawful or reasonably practicable to make the rights available to Holders, or (iii) any rights made available are not exercised and appear to be about to lapse, the Depositary shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity or otherwise, at such place and upon such terms (including public and/or private sale) as it may deem proper. The Depositary shall, upon such sale, convert and distribute proceeds of such sale (net of applicable fees and charges of, and expenses incurred by, the Depositary and taxes and/or governmental charges) upon the terms hereof and in the Deposit Agreement. If the Depositary is unable to make any rights available to Holders or to arrange for the sale of the rights upon the terms described above, the Depositary shall allow such rights to lapse. The Depositary shall not be responsible for (i) any failure to determine that it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale, or exercise, or (iii) the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything herein to the contrary, if registration (under the Securities Act and/or any other applicable law) of the rights or the securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depositary will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act covering such offering is in effect or (ii) unless the Company furnishes to the Depositary opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case satisfactorily to the Depositary, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws. In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of property (including rights) an amount on account of taxes and/or other governmental charges, the amount distributed to the Holders shall be reduced accordingly. In the event that the Depositary determines that any distribution in property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes and/or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to exercise rights on the same terms and conditions as the holders of Shares or to exercise such rights. Nothing herein shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights or otherwise to register or qualify the offer or sale of such rights or securities under the applicable law of any other jurisdiction for any purpose.

Upon receipt of a notice regarding property other than cash, Shares or rights to purchase additional Shares, to be made to Holders of ADSs, the Depositary shall determine, after consultation with the Company, whether such distribution to Holders is lawful and reasonably practicable. The Depositary shall not make such distribution unless (i) the Company shall have timely requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received the documentation required by the Deposit Agreement, and (iii) the Depositary shall have determined that such distribution is lawful and reasonably practicable. Upon satisfaction of such conditions, the Depositary shall distribute the property so received to the Holders of record as of the ADS Record Date, in proportion to the number of ADSs held by such Holders respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary, and (ii) net of any taxes and/or governmental charges. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) or other governmental charges applicable to the distribution.

If the conditions above are not satisfied, the Depositary shall sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem proper and shall distribute the proceeds of such sale received by the Depositary (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) taxes and/or governmental charges) to the Holders upon the terms hereof and of the Deposit Agreement. If the Depositary is unable to sell such property, the Depositary may dispose of such property in any way it deems reasonably practicable under the circumstances.

(14) Fixing of Record Date. Whenever necessary in connection with any distribution (whether in cash, shares, rights or other distribution), or whenever for any reason the Depositary causes a change in the number of Shares that are represented by each ADS, or whenever the Depositary shall receive notice of any meeting of or solicitation of holders of Shares or other Deposited Securities, or whenever the Depositary shall find it necessary or convenient in connection with the giving of any notice, or any other matter, the Depositary shall fix a record date (“ADS Record Date”), as close as practicable to the record date fixed by the Company with respect to the Shares (if applicable), for the determination of the Holders who shall be entitled to receive such distribution, to give instructions for the exercise of voting rights at any such meeting, or to give or withhold such consent, or to receive such notice or solicitation or to otherwise take action, or to exercise the rights of Holders with respect to such changed number of Shares represented by each ADS or for any other reason. Subject to applicable law and the terms and conditions of this Receipt and the Deposit Agreement, only the Holders of record at the close of business in New York on such ADS Record Date shall be entitled to receive such distributions, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

(15) Voting of Deposited Securities. Subject to the next sentence, as soon as practicable after receipt of notice of any meeting at which the holders of Deposited Securities are entitled to vote, or of solicitation of consents or proxies from holders of Deposited Securities, the Depositary shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy. The Depositary shall, if requested by the Company in writing in a timely manner (the Depositary having no obligation to take any further action if the request shall not have been received by the Depositary at least 21 Business Days prior to the date of such vote or meeting) and at the Company's expense, and provided no U.S. legal prohibitions exist, mail by regular, ordinary mail delivery (or by electronic mail or as otherwise may be agreed between the Company and the Depositary in writing from time to time) or otherwise distribute as soon as practicable after receipt thereof to Holders as of the ADS Record Date: (a) such notice of meeting or solicitation of consent or proxy; (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of this Deposit Agreement, the Company's Memorandum and Articles of Association and the provisions of or governing the Deposited Securities (which provisions, if any, shall be summarized in pertinent part by the Company), to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder's American Depositary Shares; and (c) a brief statement as to the manner in which such voting instructions may be given to the Depositary, or in which instructions may be deemed to have been given in accordance with this Article (15), including an express indication that instructions may be given (or be deemed to have been given in accordance with the immediately following paragraph of this section if no instruction is received) to the Depositary to give a discretionary proxy to a person or persons designated by the Company. Voting instructions may be given only in respect of a number of American Depositary Shares representing an integral number of Deposited Securities. Upon the timely receipt of voting instructions of a Holder on the ADS Record Date in the manner specified by the Depositary, the Depositary shall endeavor, insofar as practicable and permitted under applicable law, the provisions of this Deposit Agreement, the Company's Memorandum and Articles of Association and the provisions of or governing the Deposited Securities, to vote or cause the Custodian to vote the Deposited Securities (in person or by proxy) represented by American Depositary Shares evidenced by such Receipt in accordance with such voting instructions.

In the event that (i) the Depositary timely receives voting instructions from a Holder which fail to specify the manner in which the Depositary is to vote the Deposited Securities represented by such Holder's ADSs or (ii) no timely instructions are received by the Depositary from a Holder with respect to any of the Deposited Securities represented by the ADSs held by such Holder on the ADS Record Date, the Depositary shall (unless otherwise specified in the notice distributed to Holders) deem such Holder to have instructed the Depositary to give a discretionary proxy to a person designated by the Company with respect to such Deposited Securities and the Depositary shall give a discretionary proxy to a person designated by the Company to vote such Deposited Securities, provided, however, that no such instruction shall be deemed to have been given and no such discretionary proxy shall be given with respect to any matter as to which the Company informs the Depositary (and the Company agrees to provide such information as promptly as practicable in writing, if applicable) that (x) the Company does not wish to give such proxy, (y) the Company is aware or should reasonably be aware that substantial opposition exists from Holders against the outcome for which the person designated by the Company would otherwise vote or (z) the outcome for which the person designated by the Company would otherwise vote would materially and adversely affect the rights of holders of Deposited Securities, provided, further, that the Company will have no liability to any Holder or Beneficial Owner resulting from such notification.

In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with the Memorandum and Articles of Association, the Depositary will refrain from voting and the voting instructions (or the deemed voting instructions, as set out above) received by the Depositary from Holders shall lapse. The Depositary will have no obligation to demand voting on a poll basis with respect to any resolution and shall have no liability to any Holder or Beneficial Owner for not having demanded voting on a poll basis.

Neither the Depository nor the Custodian shall, under any circumstances exercise any discretion as to voting, and neither the Depository nor the Custodian shall vote, attempt to exercise the right to vote, or in any way make use of for purposes of establishing a quorum or otherwise, Deposited Securities represented by ADSs except pursuant to and in accordance with such written instructions from Holders, including the deemed instruction to the Depository to give a discretionary proxy to a person designated by the Company. Deposited Securities represented by ADSs for which (i) no timely voting instructions are received by the Depository from the Holder, or (ii) timely voting instructions are received by the Depository from the Holder but such voting instructions fail to specify the manner in which the Depository is to vote the Deposited Securities represented by such Holder's ADSs, shall be voted in the manner provided in this Article (15). Notwithstanding anything else contained herein, and subject to applicable law, regulation and the Memorandum and Articles of Association, the Depository shall, if so requested in writing by the Company, represent all Deposited Securities (whether or not voting instructions have been received in respect of such Deposited Securities from Holders as of the ADS Record Date) for the purpose of establishing quorum at a meeting of shareholders.

There can be no assurance that Holders or Beneficial Owners generally or any Holder or Beneficial Owner in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depository in a timely manner.

Notwithstanding the above, save for applicable provisions of the law of India, and in accordance with the terms of Section 5.3 of the Deposit Agreement, the Depository shall not be liable for any failure to carry out any instructions to vote any of the Deposited Securities or the manner in which such vote is cast or the effect of such vote.

(16) Changes Affecting Deposited Securities. Upon any change in face value, split-up, subdivision, cancellation, consolidation or any other reclassification of Deposited Securities, or upon any recapitalization, reorganization, merger, amalgamation or consolidation or sale of assets affecting the Company or to which it otherwise is a party, any securities which shall be received by the Depository or a Custodian in exchange for, or in conversion of or replacement or otherwise in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Securities under the Deposit Agreement, and the Receipts shall, subject to the provisions of the Deposit Agreement and applicable law, evidence ADSs representing the right to receive such additional securities. Alternatively, the Depository may, with the Company's approval, and shall, if the Company shall so requests, subject to the terms of the Deposit Agreement and receipt of satisfactory documentation contemplated by the Deposit Agreement, execute and deliver additional Receipts as in the case of a stock dividend on the Shares, or call for the surrender of outstanding Receipts to be exchanged for new Receipts, in either case, as well as in the event of newly deposited Shares, with necessary modifications to this form of Receipt specifically describing such new Deposited Securities and/or corporate change. Notwithstanding the foregoing, in the event that any security so received may not be lawfully distributed to some or all Holders, the Depository may, with the Company's approval, and shall if the Company requests, subject to receipt of satisfactory legal documentation contemplated in the Deposit Agreement, sell such securities at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of fees and charges of, and expenses incurred by, the Depository and taxes and/or governmental charges) for the account of the Holders otherwise entitled to such securities and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to the Deposit Agreement. The Depository shall not be responsible for (i) any failure to determine that it may be lawful or feasible to make such securities available to Holders in general or any Holder in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale, or (iii) any liability to the purchaser of such securities.

(17) Exoneration. None of the Depositary, the Custodian or the Company shall be obligated to do or perform any act which is inconsistent with the provisions of the Deposit Agreement or shall incur any liability to Holders, Beneficial Owners or any third parties (i) if the Depositary, the Custodian or the Company or their respective controlling persons or agents shall be prevented or forbidden from, or subjected to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the Deposit Agreement and this Receipt, by reason of any provision of any present or future law or regulation of the United States, India or any other country, or of any other governmental authority or regulatory authority or stock exchange, or by reason of any provision, present or future of the Memorandum and Articles of Association or any provision of or governing any Deposited Securities, or by reason of any act of God or war or other circumstances beyond its control, (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, revolutions, rebellions, explosions and computer failure), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement or in the Memorandum and Articles of Association or provisions of or governing Deposited Securities, (iii) for any action or inaction of the Depositary, the Custodian or the Company or their respective controlling persons or agents in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for any inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Holders of ADS or (v) for any consequential or punitive damages for any breach of the terms of the Deposit Agreement or otherwise. The Depositary, its controlling persons, its agents, any Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request, opinion or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. No disclaimer of liability under the Securities Act is intended by any provision of the Deposit Agreement.

(18) Standard of Care. The Company and the Depositary and their respective directors, officers, affiliates, employees and agents assume no obligation and shall not be subject to any liability under the Deposit Agreement or the Receipts to Holders or Beneficial Owners or other persons, except in accordance with Section 5.8 of the Deposit Agreement, provided, that the Company and the Depositary and their respective directors, officers, affiliates, employees and agents agree to perform their respective obligations specifically set forth in the Deposit Agreement without gross negligence or wilful misconduct. The Depositary and its directors, officers, affiliates, employees and agents shall not be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effect of any vote, provided that any such action or omission is in good faith and in accordance with the terms of the Deposit Agreement. The Depositary shall not incur any liability for any failure to determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Securities, for the validity or worth of the Deposited Securities or for any tax consequences that may result from the ownership of ADSs, Shares or Deposited Securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement or for the failure or timeliness of any notice from the Company. In no event shall the Depositary or any of its Agents be liable for any indirect, special, punitive or consequential damages.

(19) Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary under the Deposit Agreement by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company, or (ii) the appointment of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement, save that, any amounts, fees, costs or expenses owed to the Depositary under the Deposit Agreement or in accordance with any other agreements otherwise agreed in writing between the Company and the Depositary from time to time shall be paid to the Depositary prior to such resignation. The Company shall use reasonable efforts to appoint such successor depositary, and give notice to the Depositary of such appointment, not more than 90 days after delivery by the Depositary of written notice of resignation as provided in the Deposit Agreement. The Depositary may at any time be removed by the Company by written notice of such removal which notice shall be effective on the later of (i) the 90th day after delivery thereof to the Depositary, or (ii) the appointment of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement save that, any amounts, fees, costs or expenses owed to the Depositary under the Deposit Agreement or in accordance with any other agreements otherwise agreed in writing between the Company and the Depositary from time to time shall be paid to the Depositary prior to such removal. In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its best efforts to appoint a successor depositary which shall be a bank or trust company having an office in the Borough of Manhattan, the City of New York and if it shall have not appointed a successor depositary the provisions referred to in Article (21) hereof and correspondingly in the Deposit Agreement shall apply. Every successor depositary shall execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed, shall become fully vested with all the rights, powers, duties and obligations of its predecessor. The predecessor depositary, upon payment of all sums due it and on the written request of the Company, shall (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in the Deposit Agreement), (ii) duly assign, transfer and deliver all right, title and interest to the Deposited Securities to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding Receipts and such other information relating to Receipts and Holders thereof as the successor may reasonably request. Any such successor depositary shall promptly mail notice of its appointment to such Holders. Any corporation into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

(20) Amendment/Supplement. Subject to the terms and conditions of this Article (20), and applicable law, this Receipt and any provisions of the Deposit Agreement may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depository in any respect which they may deem necessary or desirable without the consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than the charges of the Depository in connection with foreign exchange control regulations, and taxes and/or other governmental charges, delivery and other such expenses), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding Receipts until 30 days after notice of such amendment or supplement shall have been given to the Holders of outstanding Receipts. Notice of any amendment to the Deposit Agreement or form of Receipts shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, provided, however, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (i.e., upon retrieval from the Commission's, the Depository's or the Company's website or upon request from the Depository). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depository) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act or (b) the ADSs or Shares to be traded solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such ADS, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement as amended or supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such Receipt and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require amendment or supplement of the Deposit Agreement to ensure compliance therewith, the Company and the Depository may amend or supplement the Deposit Agreement and the Receipt at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the Deposit Agreement in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, or rules or regulations.

(21) Termination. The Depository shall, at any time at the written direction of the Company, terminate the Deposit Agreement by mailing notice of such termination to the Holders of all Receipts then outstanding at least 60 days prior to the date fixed in such notice for such termination provided that, the Depository shall be reimbursed for any amounts, fees, costs or expenses owed to it in accordance with the terms of the Deposit Agreement and in accordance with any other agreements as otherwise agreed in writing between the Company and the Depository from time to time, prior to such termination shall take effect. If 90 days shall have expired after (i) the Depository shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depository a written notice of the removal of the Depository, and in either case a successor depository shall not have been appointed and accepted its appointment as provided herein and in the Deposit Agreement, the Depository may terminate the Deposit Agreement by mailing notice of such termination to the Holders of all Receipts then outstanding at least 30 days prior to the date fixed for such termination. On and after the date of termination of the Deposit Agreement, the Holder will, upon surrender of such Holder's Receipt at the Corporate Trust Office of the Depository, upon the payment of the charges of the Depository for the surrender of Receipts referred to in Article (2) hereof and in the Deposit Agreement and subject to the conditions and restrictions therein set forth, and upon payment of any applicable taxes and/or governmental charges, be entitled to delivery, to him or upon his order, of the amount of Deposited Securities represented by such Receipt. If any Receipts shall remain outstanding after the date of termination of the Deposit Agreement, the Registrar thereafter shall discontinue the registration of transfers of Receipts, and the Depository shall suspend the distribution of dividends to the Holders thereof, and shall not give any further notices or perform any further acts under the Deposit Agreement, except that the Depository shall continue to collect dividends and other distributions pertaining to Deposited Securities, shall sell rights as provided in the Deposit Agreement, and shall continue to deliver Deposited Securities, subject to the conditions and restrictions set forth in the Deposit Agreement, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any rights or other property, in exchange for Receipts surrendered to the Depository (after deducting, or charging, as the case may be, in each case the charges of the Depository for the surrender of a Receipt, any expenses for the account of the Holder in accordance with the terms and conditions of the Deposit Agreement and any applicable taxes and/or governmental charges or assessments). At any time after the expiration of six months from the date of termination of the Deposit Agreement, the Depository may sell the Deposited Securities then held hereunder and may thereafter hold uninvested the net proceeds of any such sale, together with any other cash then held by it hereunder, in an unsegregated account, without liability for interest for the pro rata benefit of the Holders of Receipts whose Receipts have not theretofore been surrendered. After making such sale, the Depository shall be discharged from all obligations under the Deposit Agreement with respect to the Receipts and the Shares, Deposited Securities and ADSs, except to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case the charges of the Depository for the surrender of a Receipt, any expenses for the account of the Holder in accordance with the terms and conditions of the Deposit Agreement and any applicable taxes and/or governmental charges or assessments) and except as set forth in the Deposit Agreement. Upon the termination of the Deposit Agreement, the Company shall be discharged from all obligations under the Deposit Agreement except as set forth in the Deposit Agreement.

(22) Compliance with U.S. Securities Laws; Regulatory Compliance. Notwithstanding any provisions in this Receipt or the Deposit Agreement to the contrary, the withdrawal or delivery of Deposited Securities will not be suspended by the Company or the Depository except as would be permitted by Section I.A.(1) of the General Instructions to the Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

(23) Certain Rights of the Depository; Limitations. Subject to the further terms and provisions of this Article (23), the Depository, its Affiliates and their agents, on their own behalf, may own and deal in any class of securities of the Company and its Affiliates and in ADSs. The Depository may issue ADSs against evidence of rights to receive Shares from the Company, any agent of the Company or any custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares. Such evidence of rights shall consist of written blanket or specific guarantees of ownership of Shares furnished on behalf of the holder thereof. In its capacity as Depository, the Depository shall not lend Shares or ADSs; provided, however, that the Depository may, unless otherwise agreed with or instructed by the Company, (i) issue ADSs prior to the receipt of Shares pursuant to Section 2.3 of the Deposit Agreement and (ii) deliver Shares prior to the receipt and cancellation of ADSs which were issued under (i) above but for which Shares may not yet have been received (each such transaction a "Pre-Release Transaction"). The Depository may receive ADSs in lieu of Shares under (i) above and receive shares in lieu of ADSs under (ii) above. Each such Pre-Release Transaction will be (a) accompanied by or subject to a written agreement whereby the person or entity (the "Applicant") to whom ADSs or Shares are to be delivered (1) represents that at the time of the Pre-Release Transaction the Applicant or its customer owns the Shares or ADSs that are to be delivered by the Applicant under such Pre-Release Transaction, (2) agrees to indicate the Depository as owner of such Shares or ADSs in its records and to hold such Shares or ADSs in trust for the Depository until such Shares or ADSs are delivered to the Depository or the Custodian, (3) unconditionally guarantees to deliver to the Depository or the Custodian, as applicable, such Shares or ADSs and (4) agrees to any additional restrictions or requirements that the Depository deems appropriate, (b) at all times fully collateralized with cash, United States government securities or such other collateral as the Depository deems appropriate, (c) terminable by the Depository on not more than five business days' notice (save for a prescribed termination event in which case any such Pre-Release Transaction may be immediately terminable by the Depository) and (d) subject to such further indemnities and credit regulations as the Depository deems appropriate. The Depository will normally limit the number of ADSs and Shares involved in such Pre-Release Transactions at any one time to 30% of the ADSs outstanding (without giving effect to ADSs outstanding pursuant to any Pre-Release Transaction under (i) above), provided, however, that the Depository reserves the right to change or disregard such limit from time to time as it deems appropriate. The Depository may also set limits with respect to the number of ADSs and Shares involved in Pre-Release Transactions with any one person on a case by case basis as it deems appropriate.

The Depositary may retain for its own account any compensation received by it in conjunction with the foregoing. Collateral provided pursuant to (b) above, but not the earnings thereon, shall be held for the benefit of the Holders (other than the Applicant).

(24) Ownership Restrictions. Owners and Beneficial Owners shall comply with any limitations on ownership of Shares under the Memorandum and Articles of Association or applicable Indian law as if they held the number of Shares their American Depositary Shares represent. The Company shall inform the Owners, Beneficial Owners and the Depositary of any such ownership restrictions in place from time to time.

(25) Waiver. EACH PARTY TO THE DEPOSIT AGREEMENT (INCLUDING, FOR AVOIDANCE OF DOUBT, EACH HOLDER AND BENEFICIAL OWNER AND/OR HOLDER OF INTERESTS IN THE ADRs) HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING AGAINST THE DEPOSITARY AND/OR THE COMPANY DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE SHARES OR OTHER DEPOSITED SECURITIES, THE ADSs OR THE ADRs, THE DEPOSIT AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREIN OR THEREIN, OR THE BREACH HEREOF OR THEREOF (WHETHER BASED ON CONTRACT, TORT, COMMON LAW OR ANY OTHER THEORY).

(ASSIGNMENT AND TRANSFER SIGNATURE LINES)

FOR VALUE RECEIVED, the undersigned Holder hereby sell(s), assign(s) and transfer(s) unto _____ whose taxpayer identification number is _____ and whose address including postal zip code is _____, the within Receipt and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney-in-fact to transfer said Receipt on the books of the Depository with full power of substitution in the premises.

Dated:

Name: _____

By:
Title:

NOTICE: The signature of the Holder to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

If the endorsement be executed by an attorney, executor, administrator, trustee or guardian, the person executing the endorsement must give his/her full title in such capacity and proper evidence of authority to act in such capacity, if not on file with the Depository, must be forwarded with this Receipt.

SIGNATURE GUARANTEED

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Section 5: EX-5.1 (EXHIBIT 5.1)

Exhibit 5.1

March 2, 2015

Videocon d2h Limited

1st Floor, Techweb Centre
New Link Road Oshiwara Jogeshwari (West)
Mumbai 400 102, Maharashtra, India

Ladies and Gentlemen,

We have acted as Indian legal counsel to Videocon d2h Limited, a public limited company incorporated under the laws of India (the “**Company**”), in connection with the registration statement on Form F-4 (Registration No. 333-201870), (the “**Registration Statement**”), filed with the U.S. Securities and Exchange Commission (the “**Commission**”) under the Securities Act of 1933, as amended (the “**Securities Act**”), with respect to the registration of equity shares of face value of Rs. 10 each of the Company (the “**Equity Shares**”), to be represented by American Depositary Shares (“**ADSs**”), with each ADS representing four Equity Shares.

In that connection, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the Registration Statement and the exhibits thereto and such documents, corporate records and other instruments as we have deemed necessary or appropriate for the purposes of this opinion, including, without limitation, resolutions adopted by the board of directors of the Company on December 27, 2014 and shareholders of the Company on December 29, 2014.

We have assumed, without any independent verification:

- in relation to the documents that we have examined that: (i) all such documents are within the legal capacity of, and have been validly authorized, executed and delivered by, and are binding on, the parties thereto; and (ii) that there are no facts or circumstances in existence and that no events have occurred, which render such documents void or voidable, repudiated, frustrated, or capable of rescission for any reason, and in particular without limitation, by reason of the lack of consideration, default, fraud, or misrepresentation;
- the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with their originals of all documents submitted to us as copies thereof, and that each of the copies of the documents supplied to us or photocopies or facsimiles thereof are true, complete and accurate and we have found nothing to indicate that such assumptions are not fully justified;
- that any meeting of the board of directors or a duly constituted committee thereof or the shareholders of the Company, was duly constituted, and a quorum was present throughout, and that the minutes of any such meeting are a correct and accurate record of the proceedings thereof; and
- that there are no agreements, letters, or other arrangements having contractual effect, modifying the terms or affecting the documents examined by us.

Based on the foregoing and subject to the limitations, qualifications, expressions and assumptions set forth herein, we are of the opinion that, upon the taking of all necessary corporate action by the Company to approve the allotment of Equity Shares, the Equity Shares have been duly and validly authorized and when issued and delivered by the Company, and paid for in cash in accordance with the terms of the Registration Statement, will be validly issued, fully paid and non-assessable.

In rendering this opinion, we have reviewed the Registration Statement and such laws of the Republic of India as we considered relevant and necessary and as have been published and made publicly available, all of which are subject to change either prospectively or retroactively. Any such change may affect the conclusions stated herein. We have made no investigation of the laws of any jurisdiction other than the Republic of India and do not express or imply any opinions as to the laws of any jurisdiction other than those of the Republic of India as applicable on the date of this opinion. This opinion is governed by and shall be construed in accordance with Indian law. We assume no obligation to update or supplement this opinion letter to reflect any facts or circumstances which may hereafter come to our attention with respect to the opinion expressed above, including any changes in applicable law which may hereafter occur.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. We also consent to the reference to our firm under the caption “Legal Matters” in the Registration Statement. In giving this consent, we do not thereby admit that we are included within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission promulgated thereunder or an “expert” for the purposes of any law or regulation.

Yours truly,

For Amarchand & Mangaldas & Suresh A. Shroff & Co.

/s/ Amarchand & Mangaldas & Suresh A. Shroff & Co.

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Section 6: EX-8.1 (EXHIBIT 8.1)

Exhibit 8.1

March 2, 2015

Videocon d2h Limited

1st Floor, Techweb Centre
New Link Road Oshiwara Jogeshwari (West)
Mumbai 400 102, Maharashtra, India

Ladies and Gentlemen,

We have acted as Indian legal counsel to Videocon d2h Limited, a public limited company incorporated under the laws of India (the “**Company**”), in connection with the registration statement on Form F-4 (Registration No. 333-201870), (the “**Registration Statement**”), filed with the U.S. Securities and Exchange Commission (the “**Commission**”) under the Securities Act of 1933, as amended (the “**Securities Act**”), with respect to the registration of equity shares of face value of Rs. 10 each of the Company (the “**Equity Shares**”), to be represented by American Depositary Shares (“**ADSs**”), with each ADS representing four Equity Shares.

Based upon such facts and subject to the limitations set forth in the Registration Statement, the statements of law or legal conclusions in the Registration Statement under the caption "Material Indian Tax Considerations" constitute the opinion of Amarchand & Mangaldas & Suresh A. Shroff & Co.

In rendering this opinion, we have reviewed the Registration Statement and such laws of the Republic of India as we considered relevant and necessary and as have been published and made publicly available, all of which are subject to change either prospectively or retroactively. Any such change may affect the conclusions stated herein. We have made no investigation of the laws of any jurisdiction other than the Republic of India and do not express or imply any opinions as to the laws of any jurisdiction other than those of the Republic of India as applicable on the date of this opinion. This opinion is governed by and shall be construed in accordance with Indian law. We assume no obligation to update or supplement this opinion letter to reflect any facts or circumstances which may hereafter come to our attention with respect to the opinion expressed above, including any changes in applicable law which may hereafter occur. Our opinion is not binding on the Indian Income Tax Department or a court. The Indian Income Tax Department may disagree with one or more of our conclusions, and a court may sustain the Indian Income Tax Department’s position.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. We also consent to the reference to our firm under the caption “Legal Matters” in the Registration Statement. In giving this consent, we do not thereby admit that we are included within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission promulgated thereunder or an “expert” for the purposes of any law or regulation.

Yours truly,
For Amarchand & Mangaldas & Suresh A. Shroff & Co.

/s/ Amarchand & Mangaldas & Suresh A. Shroff & Co.

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Section 7: EX-10.1 (EXHIBIT 10.1)

Exhibit 10.1



This Agreement is made on this 28th day of December 2007 between the **President of India** acting through Director BBCL, Ministry of Information and Broadcasting, Government of India, Shastri Bhawan, New Delhi (hereinafter called the **Licensor**) of the One Part and **M/s Bharat Business Channel Limited**, a company registered under the Companies Act, 1956 and having its registered office at 171 Mittal Court, C-Wing, 17th Floor, Nariman Point, Mumbai 400021 (hereinafter called the **Licensee** which expression shall unless repugnant to the context include, its successors in business, administrators, liquidators and assignees or legal representatives) of the Other Part.

WHEREAS pursuant to the request of the Licensee, the Licensor has agreed to grant license to the Licensee under Section 4 of the Indian Telegraph Act 1885, and the Indian Wireless Telegraphy Act, 1933 on the terms and conditions appearing hereinafter to establish, maintain and operate Direct-to-Home (DTH) Platform and the Licensee has agreed to accept the same.

NOW THIS AGREEMENT WITNESSETH AS UNDER:

1. Unless otherwise mentioned in the subject or context appearing hereinafter, the Schedule annexed hereto including the terms and conditions prescribed by the Ministry of Information and Broadcasting and the terms and conditions of the Wireless Operational License to be issued by the Wireless Planning & Coordination Wing in the Ministry of Communications & Information Technology, Government of India shall form part and parcel of this License Agreement. Provided, however, in base of conflict or variance or an issue relating to the same, the terms set out in the main body of this Agreement read with all the Schedules annexed hereto shall prevail.

K.S. HARI KUMAR
For BHARAT BUSINESS CHANNEL LIMITED
AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नया दिल्ली
Govt. of India, New Delhi

S. HARI KUMAR
[Signature]
of BHARAT BUSINESS CHANNELS LIMITED
AUTHORIZED SIGNATORY

[Signature]
ARVIND KUMAR
Min. of Information & Broadcasting
Govt. of India, New Delhi



दिल्ली DELHI

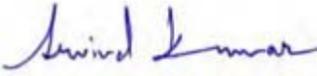
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2. The Licensee will be subject to provisions of any legislation, which may be brought in future in regard to broadcasting.

IN WITNESSTH WHEREOF the parties hereto have caused this Agreement to be executed through their respective authorized representatives, the day, month and year as mentioned above.

Signed Executed and Delivered on behalf
of President of India

by


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं संचार प्रणाली
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Ministry of India, New Delhi

Signed Executed & Delivered on behalf of M/s Bharat Business Channel Limited by its holder of General Power of Attorney dated 3rd December 2007 executed in accordance with Board Resolution dated 26th November, 2007 by K.S. Hari Kumar.

K.S. HARI KUMAR

For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY

SCHEDULE TO FORM - B

TERMS AND CONDITIONS

ARTICLE-1

ELIGIBILITY CONDITIONS

- 1.1 The Licensee company shall be an Indian company, registered under the Indian Companies Act, 1956.
- 1.2 The total Foreign Investment, including FDI/NRI/OCB/FII in the paid up equity of the Licensee Company, shall not be more than 49%.
- 1.3 The FDI component of the foreign equity in the total paid up equity of the Licensee Company shall not exceed 20%.

Explanation: The quantum represented by that proportion of the paid up equity share capital to the total issued equity capital of the Indian promoter Company, held or controlled by foreign investors through FDI/NRI/OCB investments, shall form part of the above said FDI limit of 20%.

- 1.4 The Licensee shall not allow Broadcasting Companies and/or Cable Network Companies to collectively hold or own more than 20% of the total paid up equity in its company at any time during the License period. The Licensee shall submit the equity distribution of the Company in the prescribed proforma (Table I and II of Form-A) once within one month of start of every financial year. The Government will also be able to call for details of equity holding of Licensee company at such times as considered necessary.
- 1.5 The Licensee company not to hold or own more than 20% equity share in a broadcasting and/or Cable Network Company. The Licensee shall submit the details of investment made by the Licensee company every year once within one month of start of that financial year. The Government will also be able to call for details of investment made by the Licensee company in the equity of other companies at such times as considered necessary.
- 1.6 The applicant company shall always have Indian management control with majority representatives on the Board, as well as the Chief Executive of the company being a resident Indian citizen.
- 1.7 Any change in the equity structure of the Licensee Company as well as amendment to shareholders agreement, wherever applicable, shall only be carried out in consultation and with prior approval of the Licensor.

K.S. HARI KUMAR

For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

ARTICLE-2

TERM OF LICENSE

- 2.1 The validity period of License shall be ten (10) years, on non-exclusive basis, and shall be reckoned from the date of issue of Wireless Operational License by the WPC, unless terminated earlier for default or for insolvency or for convenience or for transfer of the License.
- 2.2 The license shall not be transferred without prior approval of the Licensor.

ARTICLE-3

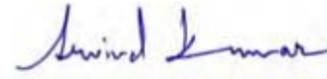
LICENSE FEE

- 3.1 The Licensee shall pay an initial non-refundable entry fee of Rs.10 crores before the issue of letter of intent to him by Licensor, and, after the issue of the Wireless Operational License by the Wireless Planning and Coordination (WPC) Wing of the Ministry of Communications, an annual fee equivalent to 10% of its gross revenue in that particular financial year *in the manner detailed hereunder.*"
- 3.1.1 Gross Revenue for this purpose would be the gross inflow of cash, receivable or other consideration arising in the course of ordinary activities of the Direct to Home [DTH] enterprise from rendering of services and from the use by others of the enterprise resources yielding rent, interest, dividend, royalties, commissions etc. Gross revenue shall, therefore, be calculated, without deduction of taxes and agency commission, on the basis of billing rates, net of discounts to advertisers. Barter advertising contracts shall also be included in the gross revenues on the basis of relevant billing rates. In the case of licensee providing or receiving goods and service from other companies that are owned or controlled by the owners of the licensee, all such transactions shall be valued at normal commercial rates and included in the profit and loss accounts of the licensee to calculate its gross revenue.
- 3.1.2 Every licensee shall maintain separate financial accounts for the channel, which shall be audited by the Statutory Auditors. At the end of each financial year, the company shall provide the statement of gross revenue forming part of the final accounts of the licensee as per the format in Form D, duly certified by the Statutory Auditors. It may be noted that the income heads specified in Form D are only indicative and illustrative and the Auditor would include all the relevant heads qualifying for gross revenue whether or not specifically included in the said format. In addition, the income from the Related Parties shall have to tally with the Related Parties schedule as per Accounting Standards no. 18. Besides, the company shall disclose the following information at the end of each financial year, duly certified by the Statutory Auditor.

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सूचना एवं प्रसारण मंत्रालय
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भारत सरकार, नई दिल्ली
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- i. Total trade and other discounts.
- ii. Total agency commission.
- iii. Total Related party transaction.

3.1.3 So as to verify that the Gross Revenue is correctly disclosed to it, the Government of India shall have the right to get the accounts of any licensee audited by CAG or any other professional auditors at its discretion. In case of difference between the Gross Revenue determined by the Statutory Auditors and the Government appointed auditors, the views of the government appointed auditor, subject to opportunity of hearing to the licensee shall prevail and the expenses on such audit shall be borne by the licensee.

3.1A.1 The First payment of Annual license fee for the financial year (FY) shall be made on the basis of provisional accounts for the FY certified by the Statutory Auditors, within one month of the end of that FY.

3.1 A.2 Annual License fee for the FY shall be finally determined on the basis of final annual accounts of the FY audited by the Statutory Auditors, which shall not be later than 30th September of the following FY. If the amount so determined is found to be higher than the amount already deposited as per clause 3.1A.1, the difference amount along with simple interest @ 1% per month on the difference for the period of delay calculated from 1st of May of the following FY upto and including the date of such payment shall be paid in one lumpsum within a period of 15 days from the date of finalization of audited accounts, or 15th October of the following FY whichever is earlier.

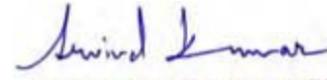
3.1A.3 Where the total annual fee deposited as per clause 3.1A.1 is more than the amount determined on the basis of audited accounts of the FY, the difference may at the request of the licensee be adjustable against the annual licence fee due for the following FY.

3.1A.4 In case any amount is to be deposited by the licensee as per provisions of clause 3.1.3 it shall be deposited within 15 days of such determination along with simple interest at the rate of 1% per month for the period from 1st May following the FY for which such determination has been made, upto and including the date of payment.

3.2 The Licensee shall also in addition pay the license fee and royalty for the spectrum used as prescribed by Wireless Planning & Coordination Authority (WPC), under the Department of Telecommunications,

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For BHARAT BUSINESS CHANNEL LIMITED

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(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

ARTICLE-4

BANK GUARANTEE

- 4.1 The Licensee shall, within one month of issual of SACFA clearance by W.P.C., submit to the Ministry of Information & Broadcasting, a Bank Guarantee from any Scheduled Bank in Form-C for an amount of Rs.40 crores valid for the duration of the license.
- 4.2 The Licensor shall be at liberty to encash the Bank Guarantee in full or part in the event of non-payment of the license fee or violation of any of the license condition.

ARTICLE-5

COMPLIANCE WITH PROGRAMME AND ADVERTISING CODES

- 5.1 The Licensee shall ensure adherence to the Programme Code (PC) and Advertisement Code (AC), laid down by the Ministry of Information & Broadcasting from time to time.
- 5.2 The Licensee shall invariably ensure that the subscribers of the service do not have access to any pornographic channel or to secret/ anti-national messaging and the like. If the Licensee fails to do so, the License shall stand cancelled.

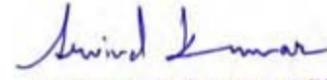
ARTICLE-6

PROHIBITION OF CERTAIN ACTIVITIES

- 6.1 The Licensee shall not carry any channels prohibited by the Ministry of Information & Broadcasting.
- 6.2 The Licensee shall ensure that its facilities are not used for transmitting any objectionable or obscene content, messages or communication inconsistent with the laws of India. The use of the facility or service for anti national activities would be construed as an offence punishable under the Indian Penal Code and applicable laws and will attract immediate termination of License.
- 6.3 The Licensor reserves the right to prohibit the transmission or reception of programmes in the interest of national security or in the event of emergency/war or similar type of situation. Notwithstanding any agreement between the Licensee and the content providers, the Licensee shall stop forthwith, transmission of TV channels or any content, as and when directed to do so by the Licensor or any other designated lawful authority.

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For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Ministry of India, New Delhi

6.4 Except with prior approval of Licensor, the Licensee shall not either directly or indirectly assign or transfer its right in any manner whatsoever under this Agreement to any other party or enter into any Agreement for sub-license and/ or partnership relating to any subject matter of the License to any third party either in whole or in part. Any violation of the terms shall be construed as breach of the License Agreement and License of the Licensee shall be terminated immediately.

6.5 The Licensee shall not carry the signals of a broadcaster against whom any regulatory body, tribunal or court have found the following:

- (i) Refused access on a non-discriminatory basis to another DTH operator contrary to the Regulations of TRAI
- (ii) Violated the provisions of any law relating to competition including the Competition Act.”

6.6 The Licensee shall not enter into any exclusive contract for distribution of TV Channels.

[Explanation: It shall be the sole responsibility of the licensee to ascertain before carrying its signals on its platform whether any broadcaster(s) has been found to be in violation of the above conditions or not. In respect of TV Channels already being carried on the platform, the licensee shall ascertain from every source including the licensor, TRAI, Tribunal or a court, whether concerned broadcasters or the channels is in violation of the above conditions. If any violation so comes to its notice, the licensee shall forthwith discontinue to carry the channels of the said broadcaster]

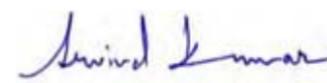
6.7 No licensee shall carry or include in his DTH Service any television broadcast or channel which has not been registered by the Central Government for being viewed within the territory of India.

Provided that the licensee may continue to carry or include in his DTH Service any television broadcast or channel, which has made an application for registration to the Central Government on or before the date of issue of this Order, for a period of six months from the date of such Order or till such registration has been granted or refused, whichever is earlier.

Provided further that TV Channels uplinking from India, in accordance with permission for uplinking granted before 2nd December 2005, shall be treated as “registered” Television channels and can be carried or included in the DTH Service.

K.S. HARI KUMAR
For **BHARAT BUSINESS CHANNEL LIMITED**

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

ARTICLE-7

TECHNICAL STANDARDS AND OTHER OBLIGATIONS

- 7.1 The Open Architecture (non-proprietary) Set Top Box, which will ensure technical compatibility and effective interoperability among different DTH service providers, shall have such specifications as laid down by the Government from time to time.
- 7.2 The Licensee shall ensure subscriber's interests through a Conditional Access System (CAS), which is compatible with an open Architecture (non-proprietary) Set Top Box.
- 7.3 The Licensee shall ensure subscriber's interests through a Subscriber Management System (SMS) for an efficient, responsive and accurate billing and collection system.
- 7.4 The Licensee shall not use any equipment, which is identified as unlawful.
- 7.5 All content provided by the DTH platform to the subscribers, irrespective of its source, shall pass through the encryption and conditional access system, located within the Earth Station, situated on Indian soil.
- 7.6 The Licensee shall provide access to various content providers/channels on a nondiscriminatory basis.
- 7.7 The Licensee shall adhere to any guidelines/regulations which may be laid down by the Licensor in the interest of consumer such as pricing of bouquet(s) or tier (s) of channels, etc.
- 7.8 The licensee shall carry or include in his DTH Service the TV channels which have been notified for mandatory & compulsory carriage as per the provisions of Section 8 of the Cable Television Networks (Regulation) Act, 1995 as amended, except for the regional TV channels, failing which the licensor shall be at liberty to take action as per clause 20.1 of this agreement

Provided further that the licensee shall carry other channels of Prasar Bharati not covered under this clause, on most favourable financial terms offered to any other channel

ARTICLE-8

MONITORING AND INSPECTION

- 8.1 The Licensee shall provide the necessary facility for continuous monitoring of the DTH broadcasting service at its own cost and maintain the recordings of programmes and advertisements carried on the platform for a period of 90 days from the date of broadcast and produce the same to the Licensor or its authorised representative, as and when required.

K.S. HARI KUMAR
For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Ministry of India, New Delhi

- 8.2 The Licensee shall furnish any such information at periodic intervals as may be required by the Licensor concerning Channels or content being transmitted or provided under the service, technical parameters etc. in the format as may be prescribed by the Licensor from time to time.
- 8.3 Licensee shall provide access to the Licensing Authority or its duly authorized representative, to all its facilities including equipments, records, systems, etc.
- 8.4 The Licensee will, if required by the Licensor or its authorised representative, provide necessary facilities for continuous monitoring for any particular aspect of the Licensee's activities and operations.
- 8.5 The Licensor will ordinarily carry out the inspection after reasonable notice except in circumstances where giving such a notice will defeat the very purpose of the inspection.

ARTICLE-9

NATIONAL SECURITY AND OTHER CONDITIONS

- 9.1 The Licensor reserves the right to take over the entire services and networks of the Licensee or revoke / cancel / suspend the License in the interest of national security or in the event of an emergency / war or low intensity conflict or similar type of situations. Further, the Licensor reserves the right to direct the Licensee to close down the service if implications of security so requires. Any specific order or direction from the Government issued in this regard shall be strictly complied with by the Licensee.
- 9.2 The Licensee shall not use any equipment, which are identified as unlawful and/or render network security vulnerable.
- 9.3 All foreign personnel likely to be deployed by way of appointment, contract, consultancy, etc. by the Licensee for installation, maintenance and operation of the Licensee's services shall be required to obtain security clearance from the Government of India prior to their deployment.

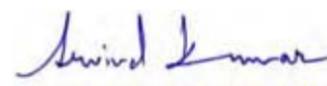
ARTICLE-10

VALUE ADDED SERVICES

- 10.1 The DTH facility shall not be used for other modes of communication, including voice, fax, data, communication, Internet, etc. unless specific

K.S. HARI KUMAR
For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
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- 12.4 The Wireless and Planning Coordination Wing shall have the right to inspect, from time to time, the installation with a view to ensuring conformity with the WPC's license.
- 12.5 The Licensee shall not cause harmful interference to other authorized users of radio spectrum. WPC Wing will have the sole discretion to take practicable and necessary steps for elimination of harmful interference, if any, to other licensed users.
- 12.6 The Licensee shall furnish to the WPC Wing the full technical and operational details of TV channels and other channels proposed to be uplinked through his/her Hub/Teleport in the prescribed format.

ARTICLE-13

COMMISSIONING OF DTH PLATFORM

- 13.1 The Licensee shall establish and complete the installation of the uplink earth station in India including the monitoring facility etc. and commission the DTH Platform within twelve months from the date of issue of the SACFA clearance by the WPC after obtaining wireless operational license and would submit a report to the Licensor in this regard.

ARTICLE-14

REQUIREMENT TO FURNISH INFORMATION TO THE LICENSOR

- 14.1 The Licensee shall furnish to the Licensor, such information at periodic intervals or at such times as the Licensor may require, including, but, not limited to, documents, reports, accounts, estimates, returns or other information such as change in Chief Executive, Board of Directors, equity holding pattern etc.

ARTICLE-15

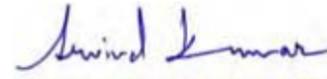
TERMINATION OF LICENSE

- 15.1 Notwithstanding any other recourse under the terms and conditions of the license or any other law, the Licensor shall have the power, after recording the reasons in writing, to revoke/suspend the license in the event of breach of any terms and conditions of the license. However, before taking such action the licensing authority will give the Licensee an opportunity of being heard. The decision of the licensing authority shall be final.

K.S. HARI KUMAR

For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Ministry of India, New Delhi

license for these value-added services has been obtained from the competent authority.

ARTICLE-11

PREFERENCE TO INDIAN SATELLITES AND INTERSYSTEM COORDINATION

- 11.1 Though Licensee can use the bandwidth capacity for DTH service on both Indian as well as foreign satellites, proposals envisaging use of Indian satellites will be extended preferential treatment.
- 11.2 The Licensee shall ensure that its operation will conform to the provisions of inter-system co-ordination agreement between INSAT and the satellite being used by the Licensee.

ARTICLE 12

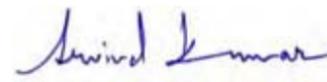
WPC WING'S LICENSE

- 12.1 A separate specific operational license shall be required from the WPC Wing of Ministry of Communications and Information Technology for establishment, maintenance & operation of the DTH platform/facility under usual terms and conditions of that license. Grant of WPC operational license will be governed by normal rules, procedures and guidelines and will be subject to completion of all formalities. As may be prescribed by the Wireless Planning Coordination (WPC) Wing, the Ministry of Communications and Information Technology for this purpose, an application shall be made to the "Wireless Advisor to the Government of India, WPC Wing, Ministry of Communications and Information Technology, Dak Bhavan, Parliament Street, New Delhi-110001" in a prescribed application form available from WPC Wing within one month from the date of signing of this agreement.
- 12.2 The Licensee shall obtain clearances/approvals, as may be prescribed or required, from the Wireless Planning Coordination Wing or from the Department of Space.
- 12.3 The Wireless Planning & Coordination (WPC) Wing of the Department of Telecommunications, Ministry of Communications and Information Technology shall issue SACFA clearance to the Licensee as soon as possible after receiving the application the same and shall grant the final Wireless Operational License, after signing of this agreement, subject to fulfillment of the necessary terms and conditions including installation of equipment etc. as may be required by WPC.

K.S. HARI KUMAR

For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण विभाग
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

- 15.2 The Licensor may, at any time, terminate the License without compensation to the Licensee in case Licensee becomes bankrupt or otherwise insolvent or applies for being adjudicated as insolvent/ bankrupt, provided such termination shall not prejudice or affect any right of action which has accrued or will accrue thereafter to the Licensor.

ARTICLE-16

FORCE MAJEURE

- 16.1 If at any time, during the continuance of this License, the performance of any obligation either in whole or in part by any party is prevented or delayed, by reason of war, hostility, acts of enemy, civil commotion, sabotage, fire, flood, act of state or centre, explosion, epidemic, quarantine restriction, strikes materially affecting the performance of any obligations of affected party, or act of God (all or any of these hereinafter referred to as Force Majeure Event), neither party shall, by reason of such Force Majeure Event be entitled to terminate this License, nor shall either party have any claim for damages against the other, in respect of such non-performance or delay in performance provided notice of happenings of any such Force Majeure Event is given by either party to the other, within 21 days from the date of occurrence thereof.

ARTICLE-17

DISPUTES WITH OTHER PARTIES

- 17.1 In the event of any dispute of the Licensee with any party other than Licensor due to any reason whatsoever, the dispute will be sorted out among themselves and Licensor will have no liability in any manner. The Licensee undertakes to indemnify Licensor in respect of any action against Licensor for acts of commission or omission on the part of the Licensee, its agents and servants.

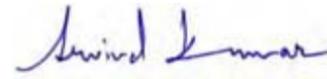
ARTICLE-18

DISPUTE RESOLUTION AND JURISDICTION

- 18.1 In the event of any question, dispute or difference arising under this License, or in connection thereof, except as to the matter, the decision of which is specifically provided under this License, the same shall be referred to the sole arbitration of the Secretary, Department of Legal Affairs, Government of India or his nominee.

K.S. HARI KUMAR
For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

- 18.2 There will be no objection to any such appointment on the ground that the Arbitrator is a Government servant. The award of the arbitrator shall be final and binding on the parties. In the event of such Arbitrator, to whom the matter is originally referred to, being transferred or vacating his office, or being unable to act for any reason whatsoever, Secretary, Department of Legal Affairs shall appoint another person to act as Arbitrator.
- 18.3 The Arbitration and Conciliation Act, 1996, the rules made thereunder and any modification thereof, for the time being in force, shall be deemed to apply to the arbitration proceedings as above. The venue of arbitration shall be New Delhi or such other place as the Arbitrator may decide. The arbitration proceedings shall be conducted in English language.
- 18.4 Upon any and every reference as aforesaid, the assessment of costs, interest and incidental expenses in the proceedings for the award shall be at the discretion of the Arbitrator.
- 18.5 The Courts at New Delhi shall have the jurisdiction over all disputes.

ARTICLE -19

CONFIDENTIALITY

- 19.1 The Licensee shall keep all the secret and security related information exchanged between the Licensor and itself as confidential and shall not disclose such information to any third party or to the media.

ARTICLE-20

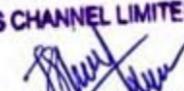
PENALTY

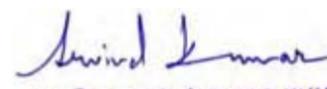
- 20.1 For violation of license conditions, in addition to any other action which may include revocation of license, a penalty upto Rs.50 crores can be imposed by the Licensor on the Licensee. However, before taking such action the licensing authority will give the Licensee an opportunity of being heard. The decision of the licensing authority shall be final.

ARTICLE-21

MISCELLANEOUS

- 21.1 Notwithstanding any clause anywhere else in the License, the License will be subject to the condition that as and when any regulatory authority to regulate and monitor the Broadcast Services in the country is constituted, the Licensee's will have to adhere to the norms, rules and regulations prescribed by such authority.

K.S. HARI KUMAR
For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नया दिल्ली
Govt. of India, New Delhi

- 21.2 This license is subject to requirements and provisions of any law which may be enacted in future for regulating and guiding broadcasting in India.
- 21.3 The Licensee shall obtain the necessary environmental clearances, wherever required. The Licensee shall also comply with Copyright Act, the Electricity Act, Factories Act and other relevant laws of the land. In case of non-compliance of any of the aforesaid requirement, the Licensor shall have the right to revoke the License of the Licensee.
- 21.4 Some of the clauses of this agreement are being considered by the Licensor for amendment. The Licensee agrees to replace this agreement with the new agreement as soon as such amendments are finalized.

K.S. HARI KUMAR
For BHARAT BUSINESS CHANNEL LIMITED

AUTHORISED SIGNATORY


(अरविन्द कुमार/ARVIND KUMAR)
निदेशक/Director
सूचना एवं प्रसारण मंत्रालय
Min. of Information & Broadcasting
भारत सरकार, नई दिल्ली
Govt. of India, New Delhi

FORM -D**STATEMENT OF GROSS REVENUE FORMING PART OF THE FINAL ACCOUNTS OF M/S. BHARAT BUSINESS CHANNEL LIMITED**

SL. No.	Income Heads	Tariff Rate/ Card	Discounts		Agency Commission	Taxes	Net as per P&L Account (amount Rupees in lakhs)
			Trade	Others			
1	Advertisement						
2	Promotional events						
2.1	Musical/Star Events						
2.2	Sponsored programmes						
3	Marketing Rights						
4	Commission						
5	Royalties						
6	Sale of antenna, set top boxes etc.						
7	Rent -Premises						
8	Rent-Equipment						
9	Interest/Dividend						
10	Related Party Transactions						
10.1	Goods sold						
10.2	Services tendered						
10.3	Production						
10.4	Marketing						
10.5	Others						

Note:

1. The income heads are only indicative and illustrative and the Auditor would include all the relevant Heads of the licensee.
2. The income from the Related Parties shall tally with the Related Parties as per accounting standards no. 18.

K.S. HARI KUMAR
 For BHARAT BUSINESS CHANNEL LIMITED
 AUTHORIZED SIGNATORY

Arvind Kumar
 (अरविन्द कुमार/ARVIND KUMAR)
 निदेशक/Director
 सूचना एवं प्रसारण विभाग
 Min. of Information & Broadcasting
 भारत सरकार, नई दिल्ली
 Govt. of India, New Delhi

[\(Back To Top\)](#)**Section 8: EX-10.2 (EXHIBIT 10.2)***Exhibit 10.2*

PORTIONS OF THIS EXHIBIT MARKED BY [**REDACTED**] HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION

INSAT-ST2/Ku/DTH/01/2012

Proprietary

Agreement No: INSAT-ST2 / Ku / DTH / 01 / 2012

between

Bharat Business Channel Limited

and

Satellite Communication and Navigation
 Programme Office (SCNP)
 Department of Space
 Government of India
 New BEL Road
 Bangalore 560 231

for

Provision of Ku-band Space Segment Capacity
 in INSAT-ST2 System

Date: April 19, 2012



**AGREEMENT FOR THE PROVISION OF Ku-BAND SPACE SEGMENT
CAPACITY IN THE INSAT-ST2 SYSTEM**

This Agreement No: INSAT-ST2 / Ku / DTH / 01 / 2012 is entered into on this 19th day of April, 2012 by and between

THE PRESIDENT OF INDIA

acting through and represented by the

SECRETARY, DEPARTMENT OF SPACE, GOVERNMENT OF INDIA,

hereinafter referred to as "DOS" (which expression shall unless excluded by or repugnant to the context be deemed to include its successor and assigns) of the ONE PART

and,

Bharat Business Channel Limited,

(an associate company of Videocon Industries Limited)

a company incorporated under the Companies Act 1956

having its registered office at

171-C Mittal Court, 'C' Wing, 17th Floor,

Nariman Point, Mumbai 400 021, India;

hereinafter referred to as "CUSTOMER" (which expression shall unless excluded by or repugnant to the context be deemed to include its successor and assigns) of the OTHER PART;

WITNESSES AS FOLLOWS:

WHEREAS, CUSTOMER has requested Department of Space (DOS) for provision of Ku band capacity in INSAT-ST2 system for the purpose of meeting its Direct-to-Home (DTH) broadcasting requirements; and

WHEREAS, DOS, through ANTRIX having received the Ku band capacity in the ST2 satellite system from Singapore Telecommunications Limited, Singapore (herein after referred to as "Singtel") under an Agreement dated April 18, 2012 in order to provide the same to CUSTOMER, has agreed to the request of CUSTOMER and has decided to make available to CUSTOMER, on a back to back provision basis, its space segment capacity in the ST2 satellite system (henceforth, called as INSAT-ST2 Satellite system) for such purpose under appropriate terms and conditions contained herein.

NOW, THEREFORE, in consideration of these promises and of the mutual promises and of the Parties contained herein, the Parties hereto agree to be bound unconditionally to the following terms and conditions:

A circular stamp with the text "BHARAT BUSINESS CHANNEL LIMITED" around the perimeter and a star in the center. A handwritten signature is written over the right side of the stamp.

ARTICLE 1. Definitions

As used in this Agreement:

“Antrix-SingTel Agreement” means the Agreement dated 18.04.2012 entered into between Antrix Corporation Ltd. and Singapore Telecommunications Limited, Singapore for lease of Ku-Band Space Segment Capacity.

“Capacity” means the clean, interference free and bare Ku-band transponder capacity, with transponder frequency management, to be provided on the Transponder(s).

“Commencement Date of Service” means, subject to Article 2, shall be March 01, 2012 in respect of the Capacity for six (6) ST-2 Transponders; on the K6A, K7A, K8A, K9A, K8B and K9B and shall be from 19th April 2012, the date of frequency allocation in respect of ST-2 Transponders, K6B and K7B.

“Early Termination Charges” means, in relation to Capacity that is cancelled (prior to the Commencement Date of Service) or terminated by the CUSTOMER prior to the end of the applicable Service Period(s), 100% of all fees and charges (monthly recurring or otherwise) for the balance of the Service Period(s).

“Payment Date” means the due date specified in this Agreement for payment of any sum payable by the CUSTOMER to DOS under this Agreement.

“Power Equivalent Bandwidth” - means the amount of total power used by the carriers, being represented as a bandwidth equivalent. In a single 54MHz transponder transmission, the total PEB refers to the saturation power of the transponder.”

“Service Charges” means the recurring charges payable by the CUSTOMER in respect of the Capacity as per Exhibit B hereto.

“Service Period” means the period(s) for which the CUSTOMER must acquire Capacity on the respective Transponder, commencing from the Commencement Date of Service until 28 February 2015

“Serving Satellite” means the satellite designated by SingTel to provide the Capacity, including the ST-2 Satellite or any satellite used in substitution or replacement of the same.

“ST-2 Satellite” means the communications spacecraft designated as ST-2 and operated by SingTel at the 88°E geostationary orbital location.

“ST-2 Transponders” means the Transponders of 54MHz on the ST-2 Satellite as further described in Exhibit A.



SingTel shall mean "Singapore Telecommunications Limited, Singapore, the satellite operator providing the transponder capacity on ST-2 satellite system.

"Transponder" means any 54MHz Ku-band radio frequency transmission channels on the Serving Satellite through which SingTel shall provide the Capacity.

"Successfully Operating Transponder" means a transponder which is operational and fully meets and satisfies the technical specifications as per Exhibit — A hereto.

"Transponder Failure" means, with respect to any Transponder, such Transponder fails to provide Capacity (or part thereof) that meets the technical specifications as per Exhibit A in any material respect for any period of three (3) consecutive days. For purposes of this definition, measurement of periods of failure shall commence when the signal has been vacated to permit verification of the existence of the failure by DOS/SingTel.

ARTICLE 2. Transponder Capacity

- a. In accordance with the terms and conditions of this Agreement, including all of its Exhibits (Exhibits A, B and C) which form part of this Agreement, DOS shall provide and the CUSTOMER shall take on lease the Capacity for the relevant Service Period
- b. CUSTOMER and DOS agree that the transponder capacity shall be utilised in accordance with this Agreement and its Exhibits.
- c. CUSTOMER and DOS agree that DOS make the Capacity available to CUSTOMER on a 24-hour, seven-day-per-week basis, for a period of three years (3) from the commencement date of Service until Feb 28, 2015.

ARTICLE 3. Interruption in the Provision of Capacity

- a. No allowances or credits will be made, for whatever reason, for any single interruption (including planned outages by DOS), in the availability of the Capacity, which is less than one (1) hour duration.

Any single interruption in the availability of the Capacity for reasons other than those mentioned in subparagraph c below which is one (1) hour duration or more and which is attributable to the SingTel segment, shall be credited to CUSTOMER calculated in an amount equal to the applicable annual charges (as reflected in Exhibit B) attributable to the affected channels of the Capacity, in one hour multiples for each hour or major fraction thereof, of interruption. The length of interruption shall be measured from the time that the CUSTOMER notifies DOS of the interruption, and CUSTOMER vacates its signal from the affected space segment to permit the verification of the existence of the interruption or failure and SingTel's confirms its occurrence until the time that DOS notifies the CUSTOMER that the Capacity has been restored. Credit allowances are applied against future payments. However, if the interruption occurs during the last month of service and there is no outstanding balance due, DOS will refund the amount of the credit allowance to CUSTOMER, subject to such allowance by SingTel.



- b. No allowances or credits will be made for any interruption caused by an act or act of omission (including negligence) of CUSTOMER, its customers, contractors, lessees, agents, assignees or employees.
- c. No interruption shall be deemed to have occurred for the purpose of this Article 3, and no allowances or credits will be made if the interruption is the result of, or attributable in whole or in part to:-

- (i) failure or non-performance of CUSTOMER'S earth station facilities irrespective of who is operating or controlling the facilities;
- (ii) equipment operated by CUSTOMER disrupting the communication system on the Serving Satellite or causing interference with or harm to other Transponders on the Serving Satellite, such that - (a) the other Transponders cease to be successfully operating transponders; or (b) it causes the failure of the communication systems of other users;

whereupon DOS shall permit SingTel to, without liability to the CUSTOMER, immediately interrupt CUSTOMER'S use of the Capacity, or CUSTOMER shall upon notice from DOS immediately interrupt its transmissions and suspend its use of the Capacity to the extent necessary to eliminate the disruption, interference or harm specified in this subparagraph (c)(ii);

- (iii) sun outages; or
- (iv) a Force Majeure event; or
- (v) outages arising from Capacity Testing and Emergency Testing of the Serving Satellite; or
- (vi) other action taken by SingTel under the Antrix-SingTel Agreement.



A handwritten signature in black ink, appearing to be "Raj" or similar, written over the stamp.

ARTICLE 4. Fees and Charges

- a. The Service Charges payable under this Agreement are as per Exhibit B to this Agreement. All charges are invoiced and payable in Indian Rupees. The charges invoiced and payable will be benchmarked against the then prevailing exchange rate of US Dollar and all fluctuations in the exchange rate shall be borne by the CUSTOMER.
- b. A suitable adjustment in the billing would be done on a quarterly basis to take care of the foreign exchange rate variation and the exchange rate applicable on the day of transaction of payment by ANTRIX to SingTel would be used as the reference. Exchange variations as above, shall be calculated and sent to CUSTOMER through a debit/credit note. The remittance of exchange variation(s) shall be made together with the monthly payment for the current month, as per the due date specified in the invoice. Any delay in payment shall attract late payment charges as mentioned in Article 4(e). Excess remittance, if any shall be adjusted in the subsequent payment.
- c. Subject to the provisions of this Agreement, Service Charges are to be paid monthly in advance by CUSTOMER before the fifteenth day of the month, immediately prior to the month for which the provision of Capacity pertains to.
- d. Service Charges apply from the commencement of the Service Period whether or not the CUSTOMER activates the Capacity.
- e. For payments of any sum payable by the CUSTOMER under this Agreement (whether of Service Charges, Early Termination Charges or otherwise) not received by the applicable Payment Date, DOS will assess until such time as payment in full is made, a late payment charge of 2 percent (2%) per month.
- f. Non-receipt or late receipt of invoice shall not absolve CUSTOMER from its liabilities to pay. In case CUSTOMER does not receive the invoices in time, CUSTOMER shall pay, within the due date, in accordance with the monthly amount mentioned in the invoice for the previous month or in Exhibit-B above. Appropriate adjustments shall be made in the subsequently monthly invoice, if required.
- g. At the time of signing this agreement, CUSTOMER shall furnish a refundable interest-free caution deposit to ANTRIX for a value equivalent to the aggregate Service Charges for three (3) months. CUSTOMER shall suitably deposit additionally as and when further capacity is leased.



ARTICLE 5. Taxes and Duties

- a. All payments and charges payable by the CUSTOMER to DOS under the Agreement shall be subject to Tax Deduction at Source (TDS) as may be applicable as per the Indian Income Tax Act, as amended from time to time. CUSTOMER shall provide to ANTRIX, the Contract Manager of this Agreement, the original TDS certificate along with the payment. CUSTOMER shall mandatorily upload such TDS deductions in appropriate electronic format in the identified web portal as notified by the Income Tax Department from time to time before the earliest due date prescribed by the Income Tax Department failing which, the TDS made shall be construed as not paid and shall be payable by the CUSTOMER with interest as provided in Article 4e.

For the above purposes, information pertaining to Antrix is provided as below:

PAN Number: AABCA4500B and

TAN Number : BLRA01098G

- b. Any commercial or service tax leviable for providing the provision capacity by any governmental authority shall be borne by the CUSTOMER. Antrix shall invoice the same along with the provision charges.
- c. Any direct or indirect taxes and duties, including revision(s) if any, to the existing tariffs, levied by any governmental authority towards provision of transponder capacity shall be borne by the CUSTOMER.

As per existing provisions of the Income Tax Act, 1961, DOS through Antrix is required to deduct and withhold tax on amounts payable to Singtel under its Agreement with Singtel, as aforesaid. As Singtel has not applied for and obtained a Permanent Account Number (PAN number) from the Income Tax Authorities in India as per the Income Tax Act, 1961 as amended from time to time, DOS/Antrix is required by law, to deduct and withhold income tax at source on such payments to SingTel at the prevalent rates, (currently 20% of the transponder provisioning charges). The Parties unconditionally agree that the amount/quantum of income tax that is required to be deducted at source, by DOS/Antrix, shall be paid by the CUSTOMER to DOS/Antrix, over and above the full transponder provisioning charges and Antrix Contract Management Charges agreed between the Parties as per this Agreement. DOS/Antrix shall invoice the CUSTOMER on the full transponder provisioning cost, as applicable and the CUSTOMER shall be liable to pay the entire amounts under the Invoice to DOS/Antrix. For avoidance of any doubt, the CUSTOMER shall pay DOS/Antrix an Indian Rupee (INR) equivalent of US\$ 14,33,333.33 per month for 8 transponders of 54 MHz each, at the foreign exchange rate prevalent at the time of payment for the sub-provisioning of 8 Transponders on ST-2, which includes the full cost of the transponder capacity, reimbursement of Income Tax Withholding and Antrix Contract Management fees



- d. CUSTOMER shall indemnify DOS, ANTRIX & Singtel and hold DOS, ANTRIX & Singtel harmless at all times against all liabilities whatsoever incurred or suffered by ANTRIX in respect of any Taxes, imposts, duties, interests, penalties, charges or otherwise levied or imposed on ANTRIX & Singtel by reason of performance of this Agreement (including all reasonable professional fees being incurred thereof), by payment of the appropriate amount to ANTRIX on its first demand with proof of the demand by the relevant Tax Authority.

ARTICLE 6. Termination

a. Termination by CUSTOMER:

- (i) Except as expressly provided otherwise in this Agreement, the CUSTOMER shall not terminate the Capacity and/or Agreement at any time after the date of this Agreement.
- (ii) CUSTOMER may terminate the Capacity (in part or in full) at any time after the date of this Agreement by giving at least nine (9) months prior notice to DOS. In the notice, CUSTOMER shall specify the Effective Date of Termination ("ETD"). In the event of such termination in full or in part, as the case may be, the CUSTOMER shall pay DOS the Early Termination Charges as liquidated damages for such default and not as a penalty, in respect of that Capacity terminated.
- (iii) Notwithstanding any of the provisions above, CUSTOMER agrees that such termination would be effective only upon acceptance by SingTel.

b. Termination by DOS

DOS shall not terminate this Agreement either in whole or in part during the Service Period except for reasons in the paragraph below.

DOS may terminate the Capacity and/or the Agreement with immediate effect by giving written notice to CUSTOMER in the event that:



- (i) CUSTOMER fails to pay any amount due hereunder for consecutively two (2) months and fails to cure such breach within twenty (20) days after receipt of written notice of such failure from DOS;
- (ii) CUSTOMER breaches a provision of this Agreement, fails to perform any obligation hereunder or makes a representation and does not (in relation to a breach or failure that is reasonably capable of cure) cure such breach or failure within twenty (20) days after receipt of written notice from DOS.

In connection with the termination of this Agreement for reasons set forth in paragraphs (a) and (b) above, the CUSTOMER shall, within fifteen (15) days of the termination date, pay DOS Early Termination Charges.

c. CUSTOMER'S Acknowledgment

CUSTOMER acknowledges and agrees that it accepts the Transponder Capacity with such pre-estimated liquidated damages related to cancellation and/or early termination in view of space segment, transponder and/or satellite used for the provision of the Capacity contemplated under the Agreement being a commodity in limited supply.

d. Vacation of Capacity Upon Termination

Upon expiration of this Agreement or termination of the Capacity and/or this Agreement (in whole or in part) either by CUSTOMER or DOS, the use of the Capacity so terminated / expired shall revert to DOS unconditionally.

ARTICLE 7. Payment

- a. All invoices for payments due shall be sent to CUSTOMER at the following address:

Mr. Avanti Kanthaliya, Head Finance
Bharat Business Channel Limited
1st Floor, Tech Web Building
New Link Road
Oshiwara,
Mumbai, 400102, India
Fax No.-+9122 42555050
Mobile: +919987680055
Email: avanti.kanthaliya@d2h.com

- b. All sums payable to DOS under this Agreement shall be paid, on or before the Payment Date, through RTGS (as per details given below):



Name of Company : ANTRIX Corporation Limited
Bank Name : Canara Bank
Account Type : Current Account
Branch address : RMV Extension, Bangalore 560 080
Account No : 0888201000767
MICR Code : 560015048
NEFT & RTGS IFS Code : CNRB 0000888

The CUSTOMER shall inform Antrix about the fund transfer (via email or telephone call) immediately after the fund is transferred in bank account followed by letter by post to :

Head Accounts and IFA
ANTRIX Corporation, ISRO HQ,
Department of Space
Antariksh Bhavan,
New BEL Road, Bangalore 560 231

- c. Any installment of the Charges which remains unpaid at the relevant due date will bear interest at two per cent (2%) per month (hereinafter, the "Interest Rate") calculated daily from such due date up to and including the date of receipt of payment by ANTRIX.
- d. All bank charges (for remittance) by CUSTOMER'S bank shall be borne by CUSTOMER and the charges at the recipient bank shall be paid by ANTRIX.
- e. CUSTOMER shall provide complete details related to the 'Tax deducted at Source' at the time of making payment against Antrix invoices by e-mail & registered post.

ARTICLE 8. Force Majeure

- a. Neither of the Parties hereto shall be liable for any failure or delay in the performance of its obligations hereunder if such failure or delay is due to Force Majeure as defined in this Article, provided that notice thereof is given to the other Party within fifteen (15) calendar days after such event has occurred.



- b. The term "Force Majeure" as used in this article means an event beyond the reasonable control and without the fault or negligence of the party concerned, and includes without limitation, acts of God, meteorological/ atmospheric occurrences or disturbances (including sun outbursts, sun outages and electromagnetic storms) or other natural events; irreparable satellite component failure, regardless of the cause(s) of such failure; externally-caused interference; damage caused by space debris; acts of Government in its sovereign capacity, Governmental or regulatory authority (including any law, rule, order, regulation, or direction of any government or government instrumentality, or of any civil or military authority, or the failure to grant or continue, or any action to revoke or resulting in a materially adverse change to the terms of, the orbital slot and/or other licenses/authorizations/approvals required in respect of the Serving Satellite); national emergencies; insurrections riots; act of war; contractual obligations under the Antrix-SingTel Agreement, quarantine; restriction;, any transponder failure, (if applicable) and such other similar events.

In the event of failure or delay in the performance of this Agreement arising out of an event of Force Majeure, which cannot be resolved within fifteen (15) days after notification of the Force Majeure given pursuant to Article 8(a), then either Party shall be entitled to terminate this Agreement to the extent only of the Capacity failure.

ARTICLE 9. Liability for Damages and Limitation of Damages

- a. To the extent permitted by law, and other than the remedies expressly provided for in this Agreement, DOS shall not be liable in any way to the CUSTOMER, whether in contract, tort (including negligence), statute or otherwise, for any direct or indirect economic or financial loss or damage (including loss of revenue or profits) howsoever caused or arising, including but not limited to any such loss or damage caused or arising from: (a) any breach or failure to perform any obligations under this Agreement; (b) any externally caused transmission interference, satellite failure, delay in the commencement or provision of the Capacity, loss or degradation as a result of a migration of capacity or satellite migration or satellite malfunction; (c) loss or destruction of any CUSTOMER equipment regardless of the cause (including where caused or contributed by one or more negligent acts or omissions of DOS and/or SingTel).
- b. DOS shall not be liable to CUSTOMER for any loss or damage sustained by the CUSTOMER, its interconnecting carriers or its sub-customers, by reason of any failure in or breakdown of SingTel's communication facilities or those of the CUSTOMER, underlying carriers, or third parties associated with providing the Capacity, or for any interruption or degradation of the Capacity whatsoever the duration or the cause of such failure, breakdown, interruption or degradation.



- c. If there is a Transponder Failure, owing to
- (i) a fault not attributable to the CUSTOMER, DOS shall use its reasonable endeavors to restore or substitute the Capacity as soon as reasonably practicable. Substituted capacity provided shall have similar technical performance and other specifications as defined in Exhibit A.
 - (ii) a fault attributable to the CUSTOMER, DOS shall not be liable to the CUSTOMER for the resulting failure, disruption or degradation of Capacity and the CUSTOMER shall continue to be liable for all fees and charges payable by the CUSTOMER for the Capacity despite the failure, disruption or degradation of Capacity.
- d. CUSTOMER shall indemnify and hold DOS and/or SingTel harmless from any loss, damage, liability or expense arising from:
- (i) Any commission or omission on the part of CUSTOMER, its users, contractors, agents, employees or persons claiming through the CUSTOMER in connection with libel, slander, invasion of privacy, or infringement of copyright or any other claims or actions arising from the use of the Capacity by the CUSTOMER or the content carried thereon;
 - (ii) Infringement of patents arising from (a) combining with or using in connection with, the Capacity, apparatus and systems of CUSTOMER, its users, customers, contractors, lessees, agents or assignees; (b) use of the Capacity in a manner not contemplated by SingTel and over which SingTel exercises no control;
 - (iii) Violation of the laws of India or any other country or damage to any third party arising from the use of the Capacity by the CUSTOMER;
 - (iv) Failure on the part of the CUSTOMER to obtain and keep in force necessary permissions / licenses / clearances from any authority concerned.
 - (v) Non-compliance of any rules, terms and conditions laid down by TRAI, DOT, Ministry of Information and Broadcasting or any authority as may be applicable.
- e. The provisions in this Article shall survive the expiry or termination of this Agreement.
- f. No warranties, express, implied, or statutory, including any warranty of merchantability or fitness for a particular purpose, apply to the Capacity.
- g. To the extent that any of DOS's limitations of liability in Article 9 are not permitted by law, then DOS aggregate cumulative liability to the CUSTOMER whether in contract, tort (including negligence or breach of statutory duty) or otherwise for any and all losses, damages or liabilities caused or arising from any breach, failure or default of DOS to perform any of its obligations or duties to the CUSTOMER with respect to the Capacity shall not in aggregate exceed the amount equal to only those fees and charges in respect of the Capacity which are prescribed and imposed with reference to any time frame or interval (but not usage) for the period of one month immediately preceding such breach, failure or default on the part of SingTel has arisen.



Article 10. Operational Requirements

- a. CUSTOMER shall be responsible to ensure that all the requisite clearances for operating the earth stations and terrestrial facilities, which use the Capacity, are obtained. These earth stations shall be operated and maintained in accordance with all the applicable provisions, including Satellite User's Guide set out at Exhibit C, suggested by SingTel. The operations, procedures, technical standards and/or satellite access procedures are subject to change. DOS is not responsible to CUSTOMER if such a change affects or requires modification of any facility, CUSTOMER equipment, or CUSTOMER communication systems in order to be used with the Capacity. If such change can be reasonably expected: (i) to materially affect the operating or transmission characteristics of the Capacity, or (ii) to render any CUSTOMER equipment or CUSTOMER communications system incompatible with the Capacity, DOS shall use reasonable efforts to provide adequate notice, in writing, to allow Customer an opportunity to maintain uninterrupted Capacity. DOS shall have no obligation to change or modify any of its components, operations or procedures to be compatible with those of Customer.
- b. Unless otherwise specified in the Agreement, DOS shall not provide any terrestrial facilities as part of the Capacity and CUSTOMER shall be solely responsible for the installation, licensing, and maintenance of any terrestrial facilities used to communicate with ST-2. CUSTOMER warrants to DOS that all licenses/approvals required to operate such terrestrial facilities, if any, have been obtained or shall be obtained prior to the start date of the Capacity. CUSTOMER shall indemnify DOS from and against any liabilities that SingTel may incur as a result of CUSTOMER'S failure to obtain such licenses/approvals.
- c. For purposes of ensuring that the transmission by CUSTOMER is within the acceptable levels of operating parameters, DOS may monitor the transmission of the Capacity.
- d. CUSTOMER shall ensure that any transmission facility used to access the Serving Satellite is at all times capable of ceasing transmission immediately upon CUSTOMER'S telephone and/or fax notice. DOS may, but is not obligated to, inspect CUSTOMER-provided facilities to confirm compliance with this requirement.



- e. CUSTOMER shall not interfere with the use of or cause harm to: (i) the Serving Satellite, transponder, or space segment; or (ii) any backup satellite, transponder, or space segment to which CUSTOMER is given access pursuant to the Agreement. DOS shall enable SingTel with the right to take immediate action, including suspending or terminating the Capacity on the affected transponder and/or space segment, in order to protect the provisioned Capacity and/or interests. If Capacity is so terminated and the cause of which is attributable to the Customer, CUSTOMER shall pay for: (i) any improper illumination charges assessed; (ii) Capacity received through the time of termination; and (iii) any Early Termination Charges stated in Article 6b above,
- f. CUSTOMER'S transmissions to the Serving Satellite shall in all material respects comply with all laws applicable to it regarding the operation of the Serving Satellite, Transponder, and/or space segment, as well as any backup satellite, transponder, or space segment(s) to which CUSTOMER may be given access pursuant to the Agreement. DOS reserves the right to get the satellite frequency signals monitored to ensure that the technical standards required by SingTel are met.
- g. DOS may at any time perform Capacity testing on the Serving Satellite ("Capacity Testing") if DOS (i) provides CUSTOMER with a minimum of seven (07) hours prior notice, and (ii) makes reasonable efforts to coordinate such Capacity Testing with CUSTOMER to minimize disruption of CUSTOMER'S use of the Capacity. DOS will minimize Capacity Testing to the greatest extent practicable and will not perform such Capacity Testing unless necessary to: (i) maintain or initiate new Capacity on the Serving Satellite, and/or (ii) otherwise prudently manage its satellites.
- h. DOS may, at its sole discretion and at any time, perform testing on the Serving Satellite other than Capacity Testing ("Emergency Testing") in the following circumstances (i) for the purpose of restoring or determining the cause of an interruption to or failure of a component or subsystem on the Serving Satellite; (ii) in response to an order of any court, tribunal or other administration having appropriate jurisdiction; (iii) to determine the cause or source of any interference; (iv) to protect overall satellite performance; and/or (v) to properly coordinate with other satellite users or operators and, in such circumstances, DOS through SingTel will endeavor to provide CUSTOMER with as much notice of the Emergency Testing as practicable in the circumstances.
- i. If DOS detects any Improper Illumination (as defined hereinafter) of any Transponder and/or space segment provided under this Agreement, it shall notify CUSTOMER by calling the CUSTOMER provided telephone number(s) for notice of Improper Illumination ("Customer Notification Number"). Within five (5) minutes of such notification, CUSTOMER shall take immediate corrective action to stop the Improper Illumination. DOS reserves the right to suspend or terminate the Capacity on the affected



Transponder and/or space segment for any Improper Illumination that continues beyond the five minute period but not exceeding forty five (45) minutes after notification or attempted notification if there is no answer at the Customer Notification number (it being understood and agreed that it is CUSTOMER'S responsibility to provide DOS with a Customer Notification number at which DOS can contact CUSTOMER twenty-four hours per day, seven days a week, 365/366 days per year). In addition, DOS shall have the right to take immediate action, including suspending or terminating the Capacity on the affected Transponder and/or space segment, in order to protect DOS's services and/or interests. If Capacity is so terminated, CUSTOMER shall pay for Capacity received through the time of termination and any Early Termination Charges as stated in Article 6b.

For the purposes of this Agreement, "Improper Illumination" means (i) transmissions other than as specified in the transmission parameters set out in the Satellite User Guide set out at Exhibit C, (ii) transmissions at an incorrect frequency, (iii) transmissions at excessive power levels, and/or (iv) any illumination that could cause harm or interference to any Transponder or space segment on the Serving Satellite or to any other satellite.

- j. The CUSTOMER shall comply strictly with the link budget i.e. the technical calculation specified by SingTel at Exhibit A.

ARTICLE 11: Governmental Regulations

- a. At all times during this agreement, the CUSTOMER agrees to comply and remain in compliance with all applicable laws, rules and regulations relating to or affecting the performance of its obligations hereunder and shall secure and maintain in full force and effect all licenses, permits and authorisations from all concerned Governmental agencies to the extent the same are required and necessary for the performance for the performance of its obligations to the satisfaction of DOS.
- b. This agreement shall always be subject to the terms of the various broadcast guidelines and policies in force and of licenses, permits and authorisations as may be required from time to time.

ARTICLE 12. Use of Capacity

- a. CUSTOMER shall ensure that its utilisation of the Capacity is not and will not constitute a breach of any applicable laws, rules and regulations governing the CUSTOMER, and any order(s) and/or direction(s) imposed by the Indian Government and/or the concerned authorities in India, including those governing the content of programming of any television transmission that is transmitted by CUSTOMER.



- b. CUSTOMER shall further assure that it shall abide by the technical procedures laid down by DOS/SingTel for the usage of the Capacity, as detailed in Exhibit C, hereto.

ARTICLE 13. Availing of Transponder Capacity

- a. CUSTOMER shall ensure that its utilisation of the Capacity is not and will not constitute a breach of any applicable laws, rules and regulations imposed by any governmental and regulatory authorities either in India or in the countries where the obligation hereunder will be performed by CUSTOMER including those governing the content of programming of any television transmission that is transmitted by CUSTOMER.
- b. CUSTOMER shall ensure that the availing of the Capacity does not and will not constitute a breach of any applicable laws, rules and regulations imposed by any governmental and regulatory authorities in countries outside India including those governing the content of programming of any television transmission that is transmitted by CUSTOMER. The CUSTOMER will offer full indemnity to DOS in this regard and keep DOS completely harmless against all costs, losses, injuries, damages, etc. that may arise on account of the CUSTOMER'S breach of any/all terms and conditions of this Agreement..

ARTICLE 14. Antrix-SingTel Agreement - Acknowledgement of CUSTOMER

- a. CUSTOMER hereby acknowledges and confirms that that ANTRIX has procured the Capacity i.e., the subject matter of this Agreement from SingTel under an Agreement dated April 18, 2012 only for the purpose of enabling DOS to provision this Capacity to the CUSTOMER for its DTH applications. CUSTOMER further acknowledges that it is the final beneficiary of capacity leased to DOS under the Antrix-SingTel Agreement. Further, CUSTOMER agrees and unconditionally accepts that DOS can provide this capacity if and only if such capacity is provided to DOS through Antrix by SingTel.
- b. The CUSTOMER having examined the Antrix-SingTel Agreement in detail confirms that it is aware of the legal and contractual terms and conditions of the Antrix-SingTel Agreement, including the strict nature thereof and unconditionally acknowledges that this Agreement has been executed on a back-to-back basis.



- c. The CUSTOMER hereby confirms and understands that terms and conditions placed upon it in this Agreement is a consequence of the terms and conditions placed upon Antrix under the Antrix-SingTel Agreement and for that reason, the CUSTOMER unequivocally agrees, confirms and acknowledges that any failure of or breach of any terms or conditions of this Agreement by the CUSTOMER, will as a consequence thereof, lead to a breach of the Antrix-SingTel Agreement. The CUSTOMER further acknowledges and confirms that in such an event, SingTel has certain rights and powers in respect of providing Capacity, including the stoppage of services and this situation may give rise to disputes between ANTRIX and SingTel.
- d. The CUSTOMER hereby agrees, confirms and declares that it shall perform and satisfactorily fulfill all its obligations under this Agreement and ensure that there is no breach whatsoever hereof and in case of breach hereof leading to a negative impact upon DOS under the Antrix-SingTel Agreement, the CUSTOMER hereby unconditionally agrees to completely indemnify DOS against all costs, losses, liquidated or other damages, consequences, legal and attorney's fees, penalties, etc. that may incur to DOS on account of action taken by SingTel under the Antrix-SingTel Agreement for breach thereof.
- e. The CUSTOMER is aware that the Agreement dated April 18, 2012 between ANTRIX and Singtel is governed by the laws of England & Wales and the Arbitration in case of disputes, is to be conducted in London in accordance with UNCITRAL Arbitration Rules.
- f. Therefore the Parties hereby unconditionally agree that in the event, any dispute(s) arise which may or may not lead to Arbitration between ANTRIX and Singtel, on account of the CUSTOMER'S default of any terms and/or conditions of this Agreement, the CUSTOMER shall keep and hold ANTRIX indemnified and harmless against all costs, injury, damages, losses, etc. that may incur upon ANTRIX, including costs of arbitration and dispute resolution, attorneys fees, other expenses, incidental or otherwise, whatsoever, related thereto.

ARTICLE 15.: Intentionally kept blank

ARTICLE 16. Assignment

CUSTOMER shall not assign any of its rights or delegate any of its obligations hereunder.



ARTICLE 17:Sub-lease

CUSTOMER shall not sublease the transponder capacity. For the purposes of this clause, the channels turned around by the CUSTOMER, time slots allotted to third parties, etc. shall not be construed as sub-lease.

ARTICLE 18. Confidentiality

Each Party agrees that it will not disclose (by itself or through any employee or officer) this Agreement or the contents thereof to any person whatsoever, other than as may be required for the performance of obligations or enforcement of the provisions of this Agreement or as specified herein or as may be required in pursuance of any law, regulation, rule or order of any authority (legislative, executive or judicial.). This clause shall continue for the entire duration of this Agreement and for a period of one (1) year after the termination or expiry of this Agreement, including any extension thereof.

ARTICLE 19. Governing Law

This Agreement and the rights and responsibilities of the Parties hereunder, shall be subject to and construed in accordance with the laws of India.

ARTICLE 20. Arbitration

- a. Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be first attempted to be resolved by mutual negotiations between the Parties. In the event, the Parties are not able to arrive at an amicable resolution of their disputes within 30 days of receipt of a written notice of such dispute(s), then the dispute(s) shall be referred to arbitration in accordance with the Arbitration and Conciliation Act, 1996.
- b. The Arbitration shall be conducted by a Sole Arbitrator appointed mutually by the Parties. The place of arbitration shall be Bangalore and the Courts in Bangalore alone shall have jurisdiction in that regard. The language to be used in the arbitration proceedings shall be English. The considered decision or award of the arbitral tribunal shall be final and binding upon the Parties to the arbitration proceeding. The costs of the arbitration shall be shared by the Parties or as may be directed by the Arbitral Tribunal.

ARTICLE 21. Notices

Any communication concerning this Agreement by each party to the other shall, unless otherwise provided herein, be sufficiently made if sent by registered post acknowledgement due or by hand-delivery with due acknowledgement or by facsimile immediately followed by registered post to the address hereinafter specified, confirmed subsequently by registered post.



CUSTOMER : Bharat Business Channel Limited
To the Attn of Mr. Himanshu Patil - C.O.O.
1st Floor, Tech Web Building
New Link Road
Oshiwara,
Mumbai, 400102, India
Fax No. - +9122 42555050

Mobile No. : +9198202 21518
Email id: himanshu.patil@d2h.com

DOS : Director
Satellite Communication Navigation Programme Office,
Antariksh Bhavan, New BEL Road
Bangalore 560 231
Tel: +91 80 2341 5301
Email: nprao@isro.gov.in

ARTICLE 22. Full Agreement

This Agreement constitutes the full understanding and agreement of the Parties concerning the subject matter thereof, and any prior oral or written agreements and understandings of the Parties concerning the subject matter of this Agreement are hereby superseded and terminated except the Non-disclosure Agreement, which shall remain in force during the tenure of this agreement.

ARTICLE 23. Amendment

The terms and conditions of this Agreement shall not be varied except by mutual agreement of the Parties in writing.

In witness whereof the undersigned, duly authorised, have signed this Agreement.

For and On Behalf of
DEPARTMENT OF SPACE

/s/ N. Prahlad Rao
Authorised signatory
Date: 19/4/2012

एन. प्रहलाद राव / N. Prahlad Rao
निदेशक, एस. सी. एन. पी / Director, SCNP
भारतीय अन्तरिक्ष अनुसंधान संगठन
Indian Space Research Organisation
भारत सरकार, अन्तरिक्ष विभाग
Govt. of India, Dept. of Space
अन्तरिक्ष भवन / Antariksh Bhavan
न्यू बी. ई. एल रोड / New BEL Road
बैंगलूर / Bangalore - 560 231, भारत / INDIA

For and On Behalf of
CUSTOMER

/s/ Rajkumar N. Dhoot
Authorised signatory Rajkumar N. Dhoot
Date: 19/4/2012



Exhibit-A

INSAT-ST2 at 88° E

SYSTEM CHARACTERISTICS

ST-2 Transponder	Uplink Freq (GHz)	Dnlink Freq (GHz)	Polarization Uplink/Downlink
K6A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K7A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K8A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K9A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K8B	[**Redacted**]	[**Redacted**]	[**Redacted**]
K9B	[**Redacted**]	[**Redacted**]	[**Redacted**]
K6B	[**Redacted**]	[**Redacted**]	[**Redacted**]
K7B	[**Redacted**]	[**Redacted**]	[**Redacted**]
Polarization	:	[**Redacted**]	
Each Transponder Bandwidth	:	54 MHz (usable)	
Coverage Area	:	[**Redacted**]	
Nominal EIRP	:	As per attached plots	
Output power	:	[**Redacted**]	
Automatic Level Control	:	[**Redacted**]	
Satellite Receive G/T	:	As per attached plots	
Saturation Flux Density	:	[**Redacted**]	
Polarisation Discrimination	:	[**Redacted**]	



INSAT-ST2/Ku/DTH/01/2012

Proprietary

INSAT ST-2 K2 EIRP footprint:

[**Redacted**]

K2
(54 MHz Transponders)

[**Redacted**]



Exhibit-B
Payment Schedule

The Monthly Recurring Charges payable for 8 transponders of 54 MHz each is **US \$ 14,33,333.33 per month** (USD Fourteen Lakhs Thirty Three Thousand Three Hundred and Thirty Three and Thirty Three cents only)

Terms:

1. Upon signing of the contract, CUSTOMER will require to deposit with DOS a refundable interest-free caution deposit of Rs.21.50 Crores (25% of annual provision rate payment (assuming INR-\$ exchange rate as 50) which shall be returned after completion of provision period or upon termination of this contract, whichever is earlier. The caution deposit shall be amended as and when additional transponders are provided to the CUSTOMER.
2. ANTRIX shall use reasonable endeavours to deliver an invoice to CUSTOMER fifteen (15) Business Days prior to the payment due date. The CUSTOMER shall make the payment as per Article 4c.
3. Non-receipt or late receipt of invoice shall not absolve CUSTOMER from its liabilities to pay. In case CUSTOMER does not receive the invoices in time, CUSTOMER shall pay, within the due date, in accordance with the monthly amount mentioned in the invoice for the previous month or in Exhibit B above. Appropriate adjustments shall be made in the subsequently monthly invoice, if required.
4. For the avoidance of doubt, the obligation of CUSTOMER to pay the Charges shall arise regardless of whether an invoice or other notice of such payment from ANTRIX has been given to CUSTOMER.
5. Above price is exclusive of service tax and educational cess. NOCC charges shall be remitted from customer directly to concerned authorities.
6. All payments and charges payable by the CUSTOMER to DOS under the Agreement shall be subject to Indian Income Tax withholding, deductible at source, as may be applicable. CUSTOMER shall provide to ANTRIX the original TDS certificate along with the payment, as outlined in Article 5a.
7. Any direct or indirect taxes and duties, including revision(s) if any, to the existing tariffs, levied by any governmental authority towards provision of transponder capacity shall be borne by the CUSTOMER. ANTRIX shall invoice the same along with the provision charges.



8. CUSTOMER shall be liable to pay the provision charges based on the Rupee/Dollar conversion rate applicable on date of invoicing to CUSTOMER. In the event of a variation between the Rupee/Dollar conversion rate at which ANTRIX has invoiced the CUSTOMER and the rate on the date of payment by ANTRIX to Singapore Telecommunications Limited, such variation shall be adjusted on a quarterly basis and shall be payable by/reimbursed to CUSTOMER, as appropriate. Exchange variations as above, shall be calculated and sent to CUSTOMER through a debit/credit note. The remittance of exchange variation(s) shall be made together with the monthly payment for the current month, as per the due date specified in the invoice. Any delay in payment shall attract late payment charges as mentioned in Article 4(e). Excess remittance, if any shall be adjusted in the subsequent payment.
9. The CUSTOMER shall pay to DOS 15 days before the beginning of the relevant period the provision charges through RTGS (as per details given below):
- | | |
|----------------------|------------------------------------|
| Name of Company | : ANTRIX Corporation Limited |
| Bank Name | : Canara Bank |
| Account Type | : Current Account |
| Branch address | : RMV Extension, Bangalore 560 080 |
| Account No. | : 0888201000767 |
| MICR Code | : 560015048 |
| NEFT & RTGS IFS Code | : CNRB 0000888 |
10. The CUSTOMER shall inform Antrix about the fund transfer (vide email or telephone call) immediately after the fund is transferred in bank account followed by letter by Post to:
- Head Accounts & IFA
Antrix Corporation Ltd
Antariksh Bhavan
New BEL Road
Bangalore 560 231.
11. Antrix Corporation Limited, a 100% owned company of Department of Space, shall be the Contract Manager to administer the above said agreement in its entirety and is vested with all powers under this agreement including issue of legal notice and initiating other legal measures.



Exhibit C

Satellite User Guide

CUSTOMER shall observe the following operating procedures required to initialize an earth station and commence normal carrier operations on the space segment of the ST-2 Satellite.

- a. **Transmitted Carrier(s):** - The transmitted carrier(s) shall be operated within accepted industry standards and shall be within allocated satellite bandwidth.
- b. **Transmit Power:** - DOS shall authorize a particular transmit power (EIRP) of the transmitting earth station. If the CUSTOMER calculates the particular transmit power, DOS shall review and approve the particular level before CUSTOMER commences access to the satellite.
- c. **Carrier Dispersal:** - CUSTOMER is required to provide enough modulation at all times such that the downlink power flux density at the surface of the earth from the ST-2 Satellite shall not exceed the limits set by the ITU Radio regulations.
- d. **Polarization Isolation (Transmitting earth station) :-** Isolation between orthogonal cross-polarized signals shall be at least 30dB. The polarization adjustment of the earth station antenna relative to the satellite shall be maintained to an accuracy of ± 1.0 Degree.
- e. **Carrier Line Up :** - A line up test with ST-2 Satellite must be performed for each uplink antenna and each carrier assigned. Once the line-up test for the given carrier and antenna is completed, the carrier may not need to be re-tested even though it is not operated continuously.

The line-up test includes two parts. The first part includes the normal cross polarization checks and adjustments of the uplink earth station antenna and the calibration of the carrier's uplink power level and frequency to assure the correct receive level (C+N/N) as specified in the transmission plan and/or link budget. The second part includes the normal coordination with the adjacent satellites to assure compliance with coordination agreements and to ensure no harmful interference to adjacent satellites is created by operation of the carrier on ST-2 Satellite.



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Section 9: EX-10.3 (EXHIBIT 10.3)

Exhibit 10.3

PORTIONS OF THIS EXHIBIT MARKED BY [**REDACTED**] HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION

INSAT ST2 / Ku / DTH / 01 / 2012

Amendment No. 1

Proprietary

Agreement No. INSAT-ST2 / Ku / DTH / 01 / 2012
Dated April 19, 2012

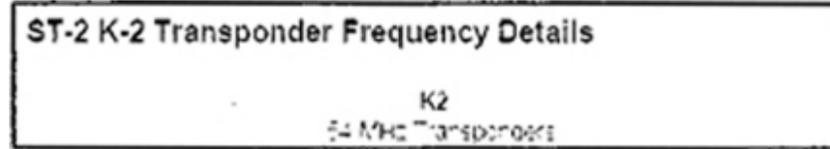
Amendment No. 1 dated June 19, 2013
(Allocation of additional 2X54 MHz on INSAT- ST2 system)

Whereas DOS entered into an Agreement no.INSAT-ST2 / Ku / DTH / 01 / 2012 dated April 19, 2012 with Bharat Business Channel Limited for the lease of 8x54 MHz of Ku band space segment on INSAT-ST2 system for meeting its Direct-to-Home (DTH) requirements.

AND whereas the Customer has been allocated additional 2x54 MHz of Ku- band capacity on INSAT-ST2system vide DOS letter no. SCNP/F.631/13/13 dated June 19, 2013. Accordingly, both the parties in considerations of their mutual covenants in the original Agreement dated April 19, 2012 have now agreed to amend the Agreement with effect from June 19, 2013 as under;

1. Replace **Article 1. Definitions "Commencement Date of Service" in the agreement with** - "Commencement date of Service means, subject to Article 2, shall be March 01, 2012 in respect to the Capacity for six (6) ST-2 Transponders - K6A, K7A, K8A, K9A, K8B and K9B; shall be 19th April 2012 (the date of frequency allocation) in respect of ST-2 Transponders - K6B and K7B; shall be 1st July 2013 in respect of ST-2 Transponders - K5A and K5B."
2. Insert in **Article 14. Antrix-SingTel Agreement - Acknowledgement of Customer (a), Line 3** after - "...under an Agreement dated April 18, 2012; 'read with Supplement Agreement (Amendment 1) dated June 19, 2013 only for the....'"
3. Replace **Exhibit A, System Characteristics of the agreement** with –

ST-2 Txps.	Uplink Freq (GHz)	DnlinkFreq (GHz)	Polarization Uplink/Downlink
K5A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K6A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K7A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K8A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K9A	[**Redacted**]	[**Redacted**]	[**Redacted**]
K5B	[**Redacted**]	[**Redacted**]	[**Redacted**]
K6B	[**Redacted**]	[**Redacted**]	[**Redacted**]
K7B	[**Redacted**]	[**Redacted**]	[**Redacted**]
K8B	[**Redacted**]	[**Redacted**]	[**Redacted**]
K9B	[**Redacted**]	[**Redacted**]	[**Redacted**]



[**Redacted**]

4. Insert in **Exhibit B, Payment Schedule in Preamble of the agreement** with - "The Monthly Recurring Charges payable for 10 transponders of 54 MHz each is USD 1,791,667 per month (USD One million seven ninety one thousand six hundred and sixty seven only)."
5. Replace in **Exhibit B, Payment Schedule, Terms 1 of the agreement** with - "Upon signing the contract, read with Amendment no. 1 to the agreement, CUSTOMER will require to deposit with DOS a refundable interest free caution deposit of INR 31.18 Cr (25% of annual provision rate payments (assuming INR-\$ exchange rate as 58)) which shall be returned..."
6. All other terms and conditions remain unchanged.

For and On behalf of
DEPARTMENT OF SPACE

For and On behalf of
CUSTOMER



/s/ N. Prahlad Rao
Authorised signatory
Date 9.7.13

Authorised signatory
Date

एन. प्रह्लाद राव / N. Prahlad Rao
निदेशक, एस. सी. एन. पी. / Director, SCNP
भारतीय अन्तर्िक्ष अनुसंधान संगठन
Indian Space Research Organisation

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Section 10: EX-10.4 (EXHIBIT 10.4)

Exhibit 10.4



महाराष्ट्र MAHARASHTRA
General Stamp Office, Mumbai
S.V. No. 694
- 1 SEP 2009
Proper Officer

दि. महाराष्ट्र महाराष्ट्र अन्तर्गत भारत
महाराष्ट्र, महाराष्ट्र - ११०११
श्री. प्रदीप कुमार धोत
सदस्य/अधीनस्थ/अधीनस्थ
नामांकित/अधीनस्थ
नामांकित/अधीनस्थ
कला.



CB 613485

SHRI. L. S. BAMBLE

मुद्रित विक्रता
अपूर्णा अशोक वाटे

LICENSE FOR USE OF TRADEMARK/BRAND

THIS DEED OF TRADE MARK USAGE LICENSE made and executed at Mumbai on
11th day of September 2009

BY & BETWEEN

M/s. VIDEOCON INDIA LIMITED
A company incorporated under Companies Act, 1956
Represented through its authorized signatory
Shri. Pradeep Kumar S/o Nandlal Dhoot



Age : 49 Years, Occ: Business;
R/o Dhoot Bunglow, Station Road,
Aurangabad

Hereinafter called and referred as "LICENSOR" which expression unless contrary or repugnant to the context shall mean and include its successors and assigns, hereinafter called of the One Part;

AND

Bharat Business Channel Limited, a Company incorporated under the provisions of Companies Act, 1956, having its registered office at 171, C Wing, Mittal Court, Nariman Point, Mumbai - 400 021 herein referred to as "BBCL" (which expression shall mean and deemed to include its directors, successors in business, subsidiaries, permitted assigns if any)

Hereinafter called and referred as "LICENSEE" which expression unless contrary or repugnant to the context shall mean and include its successors and assigns, hereinafter called of the other Part;

WHEREAS the LICENSOR is exclusive owners of the trademark(s) the said trade mark is specifically shown in Schedule-A, herein under.

AND WHEREAS the LICENSEE is about to carry the business of Direct to Home Services across India under the license issued by the Ministry of Information Broadcasting and any other permitted business in articles of association of BBCL Company including but not limited to consumer durables business.

→ 2 ↓

AND WHEREAS the LICENSOR's said trademark have gained wide publicity and goodwill in the market therefore the LICENSEE suo-moto approached to LICENSORS and requested for permission to non-exclusive use LICENSORS said trademark for its (Licensee's) DTH business against payment of License Fees..

AND WHEREAS the LICENSORS have considered and accepted proposal of Licensee and subject to reasonable restrictions and on the below mentioned terms and conditions agreed to allow to use the said Registered trademark(s) by the LICENSEE for its use in to the extent of its DTH business including but not limited in advertising, marketing, promotions, products, services, website, bills, documents and all related DTH business materials.

NOW THEREFORE THIS DEED WITNESSETH AS UNDER:

1. Licensor, subject to terms and conditions mentioned herein, do hereby grant, permit, allow to non- exclusively use the present trademark, brand, logos, design, colour, scheme, appearances and of brands described in Schedule-A, to Licensee for its use in only for its DTH business including but not limited in its advertising, marketing, promotions, products, services, website, bills, documents and all related DTH business materials .
2. The License fees is to be paid at the end of each financial year from FY 2010-2011. In view of the request of Licensee that the DTH business has been just started and shall take some time to begin full fledged operations, there shall be no License fees for the F.Y 2009-2010 thereafter for period of 3 years to be counted from F.Y 2010-2011 License fees shall be Rs. 5,00,000/- per Year, net of all taxes, thereafter Parties shall mutually decide future term of License term and amount of the License Fees.

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3. It agreed that the Licensee shall be entitled to only for specifically permitted brand names, as specifically mentioned in Schedule-A for DTH business in INDIA only and for any other Brand Name and Modification thereof the fresh License shall be required.
4. Licensee undertake for prompt payment of agreed license fees in future and non payment of the same shall grant Licensor exclusive right to terminate this agreement .
5. The licensee shall not use the said trademark for any illegal activity. If unauthorized use is noticed by Licensor then the Licensor at it's sole discretion may terminate agreement and prohibit further use of Trademarks
6. The Licensee shall not sub-License the said trademark to any other party or use the brand name for other business or contrary to terms of this agreement, if this condition is breached then the Licensor at it's sole discretion may terminate agreement, without any notice.
7. The Licensor shall be entitled to give such rights to use trademark to any other party without written consent of BBCL.
8. The Licensee Agrees to Keep Indemnified Licensor for breach of the terms of License.
9. The Licensee shall not misuse, misrepresent or breach any Law if any action is initiated out of such act/omission of Licensee then Licensee Shall Keep Licensor harmless and indemnified.
10. In Case of Dispute Aurangabad court shall have exclusive jurisdiction.

[Handwritten signature]

[Handwritten mark]

9. The Licensee Agrees to Keep Indemnified Licensor for breach of the terms of License.

10. The Licensee shall not misuse, misrepresent or breach any Law if any action is initiated out of such act/omission of Licensee then Licensee Shall Keep Licensor harmless and indemnified.

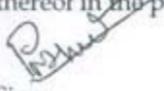
11. In Case of Dispute Aurangabad court shall have exclusive jurisdiction.

SCHEDULE-A

- 1) " VIDEOCON " and its all appearances, colours, design, presentation
- 2) "V" logo and its all appearances, colours, design, presentation.
- 3) All subsequent modification of aforesaid.

IN WITNESS WHEREOF the parties have executed this Deed of Assignment at the place and date hereinabove mentioned.

EXECUTED on this day of
2009 on behalf of the LICENSOR
by the undersigned authorized officer
thereof in the presence of witnesses


Sign:
Name:
Designation:

EXECUTED at this day of
2009 on behalf of the LICENSEE
by the undersigned authorized officer

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thereof in the presence of witnesses

Sign: 

Name:

Designation:

WITNESSES:-

1. Name:-

2. Name:-

✓



महाराष्ट्र MAHARASHTRA

प्रधान मुद्रांक कार्यालय, मुंबई
प. मु. विक्रेता क्र. ६९४
23 JAN 2013
सक्षम अधिकारी

दे. महाराष्ट्र न्यायालय अंतर्गत मुद्रांक विभाग
को. ऑप. पी.ए. क्र. ११६/२०१३
एल. एम. सी. क्र. ११६/२०१३
क्रमांक: ६२२ दिनांक: ०१/०४/२०१३
उच्च न्यायालय, मुंबई
जज/श्री/श्रीमती
गाना न्यायक्षेत्र मुद्रांक
विक्रेता

GV 098591

BHARAT BUSINESS CHANNEL LIMITED
1st Floor, Techweb Centre,
New Link Road, Oshiwara,
Mumbai - 400 102.

श्रीमती श्वे. गो. चौधरी

LICENSE DEED FOR USE OF TRADE MARK

THIS LICENSE DEED FOR USE OF TRADE MARK ("Agreement") made and executed at Mumbai on 01st day of April, 2013 by and between:

CE INDIA LIMITED, a Company incorporated under the provisions of Companies Act, 1956, having its registered office at Auto Cars Compound, Adalat Road, Aurangabad - 431005, Maharashtra, Hereinafter called and referred as "**LICENSOR**" (which expression shall unless repugnant to the context means and includes its representatives, administrators, successors, affiliates, group companies, subsidiaries, sister concerns and permitted legal assigns), of the One Part;

AND

BHARAT BUSINESS CHANNEL LIMITED, a incorporated under the provisions of the Companies Act, 1956 and having its Corporate Office at 1st Floor, Techweb Centre, New Link Road, Near Mega Mall, Oshiwara, Mumbai-400 102 and having its Head End Office at Plot No. 1D, Udyog Vihar, Industrial Area, Greater Noida, District Gautam Budh Nagar (UP) -201 301 hereinafter referred to as "**LICENSEE**" (which expression shall unless repugnant to the context means and includes its representatives, administrators, successors, affiliates, group companies, subsidiaries, sister concerns and permitted legal assigns) of the OTHER PART.



[Handwritten signature]

WHEREAS the **LICENSOR** is exclusive owners of the trademark(s) the said trade mark is specifically shown in **Schedule-A**, herein under.

AND WHEREAS the **LICENSEE** and **LICENSOR** had executed a License Deed dated 11th September '2009 for use of Licensor's Trademark(s) till 31st March, 2013. The parties are now desirous to extend the term further by executing this fresh agreement to continue the understanding further during the renewed term hereunder.

AND WHEREAS the LICENSEE is carrying the business of Direct to Home Services across India under the license issued by the Ministry of Information Broadcasting, Government of India and may decide to carry any other permitted business in Articles of Association of the LICENSEE Company including but not limited to consumer durables business.

AND WHEREAS the LICENSOR's said trademark have gained wide publicity, credit and goodwill in the market therefore the LICENSEE proposed to LICENSORS and requested for permission to non-exclusive use LICENSORS said trademark for its (Licensee's) business against payment of consideration towards License Fees.

AND WHEREAS the LICENSOR has accepted proposal of Licensee and subject to reasonable restrictions and on the below mentioned terms and conditions delegates, conveys, assigns right to use all registered trademarks along with trademarks under the process of registration to the **LICENSEE** in all its business related activities including but not limited in advertising, marketing, promotions, products, services, website, bills, documents and all related business materials for a term of FIVE (05) years from the date of execution hereof which term may be extended for a further period by a mutual agreement of both the parties hereto.



Handwritten signature

NOW THEREFORE THIS DEED WITNESSETH AS UNDER:

1. Licensor, subject to terms and conditions mentioned herein, do hereby grant, permit, allow non- exclusive, non-sub-licensable right to use the present trademark, brand, logos, design, colour, scheme, appearances and of brands described in **Schedule-A**, to Licensee in all its permitted businesses including but not limited in its advertising, marketing, promotions, products, services, website, bills, documents and business materials. The term of this renewal will be effective from 01st April, 2013 and will expire on 31st March, 2018, unless mutually further extended by the Parties hereto.
2. Licensor, against receipt of License fees of Rs. 5,00,000/- (Rupees Five Lakhs Only) for the first term from (01st April, 2013 to 31st March, 2014) and Rs. 7,00,000/- (Rupees Seven Lakhs Only) for the remainder term from (01st April, 2014 to 31st March, 2018) net of applicable taxes, do hereby grant, permit, allow to non- exclusively use the present and future trademark, brand, logos, design, colour, scheme, appearances and all that of described in **Schedule-A** by Licensee for its use in all its DTH business related activities including but not limited in advertising, marketing, promotions, products, services, website, bills, documents and all related business materials and also for its similar use in respect of any other business of the Licensee under its Articles of Association. The License fee is to be paid at the end of each financial year.
3. The Licensee shall also be entitled to use all subsequent changes, brand names, modification, and rectification of said brands, if any.
4. Licensee undertakes to make prompt payment of agreed license fees and nonpayment of the same shall grant Licensor the right to notify the Licensee about such default and the Licensee shall ensure the compliance within a period of 15 days failing which the Licensor may suspend the rights so granted under this agreement till such time the Licensee does not remit the fee.
5. The licensee shall not use the said trademarks for any illegal activity. If unauthorized use is noticed by Licensor then the Licensor at it's sole discretion may notify the Licensee about the same and the Licensee shall comply with such requisition of the Licensor, failing which the Licensor may suspend the rights granted hereunder.



Rishu

6. Both the Parties shall be entitled to mutually terminate this Agreement by giving ninety (90) days prior written notice.
7. The Licensor shall be entitled to give such rights to use trademarks to any other party without written consent of LICENSEE, however in no case the Licensor shall grant such License to other DTH Service provider.
8. The Parties agree to Keep Indemnified each another for breach of the terms of License by either of the party.
9. The Licensee shall not misuse, misrepresent or breach any Law if any action is initiated out of such act/omission of Licensee then Licensee Shall Keep Licensor harmless and indemnified.
10. In Case of Dispute Aurangabad court shall have exclusive jurisdiction.

IN WITNESS WHEREOF the parties have executed this Deed at the place and date hereinabove mentioned.

EXECUTED on this day of

2013 on behalf of the **LICENSOR**

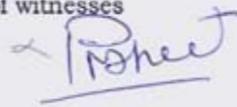
by the undersigned authorized officer

thereof in the presence of witnesses

Sign:

Name:

Designation:



EXECUTED at this day of

2013 on behalf of the **LICENSEE**

by the undersigned authorized officer

thereof in the presence of witnesses

Sign:

Name: ANIL KHEER

Designation: CEO



WITNESSES:-

1. Name:-

2. Name:-

SCHEDULE-A

- 1) " VIDEOCON " and its all appearances, colours, design, presentation
- 2) "V" logo and its all appearances, colours, design, presentation.
- 3) All subsequent modification of aforesaid.

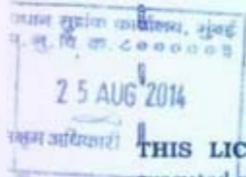




महाराष्ट्र MAHARASHTRA

© 2014 ©

LK 656088



ADDENDUM TO AGREEMENT FOR LICENSE DEED FOR USE OF TRADEMARK / BRAND DATED 1ST APRIL 2013

THIS LICENSE DEED FOR USE OF TRADE MARK ("Agreement") made and executed at Mumbai on 15th day of October, 2014 by and between:

श्री. विनोद विठ्ठल
CE INDIA LIMITED, a Company incorporated under the provisions of Companies Act, 1956, having its registered office at Auto Cars Compound, Adalat Road, Aurangabad - 431005, Maharashtra, Hereinafter called and referred as "**LICENSOR**" (which expression shall unless repugnant to the context means and includes its representatives, administrators, successors, affiliates, group companies, subsidiaries, sister concerns and permitted legal assigns), of the One Part;

AND

VIDEOCON D2H LIMITED, formerly **Bharat Business Channel Limited**, a incorporated under the provisions of the Companies Act, 1956 and having its Corporate Office at 1st Floor, Techweb Centre, New Link Road, Near Mega Mall, Oshiwara, Mumbai-400 102 and having its Head End Office at Plot No. 1D, Udyog Vihar, Industrial Area, Greater Noida, District Gautam Budh Nagar (UP) -201 301 hereinafter referred to as "**LICENSEE**" (which expression shall unless repugnant to the context means and includes its representatives, administrators, successors, affiliates, group companies, subsidiaries, sister concerns and permitted legal assigns) of the OTHER PART.



WHEREAS the **LICENSOR** is exclusive owners of the trademark(s) the said trade mark is specifically shown in **Schedule-A**, herein under.

AND WHEREAS the **LICENSEE** is carrying the business of Direct to Home Services across India under the license issued by the Ministry of Information Broadcasting, Government of India and may decide to carry any other permitted business in Articles of Association of the **LICENSEE** Company including but not limited to consumer durables business.

AND WHEREAS the Licensor and the Licensee has executed the License Agreement dated 1st April 2013 whereby Videocon d2h Limited (VDL) has renewed the acquisition of rights and license to use trademark, brand, logos, design, colour, scheme and appearance of brand for the period of 5 years from financial year 2013-14 on payment of License fees mentioned therein from C E India Limited.

AND WHEREAS now the Parties hereto are desirous of extending the period of the said license be up to March 31, 2022.

NOW THEREFORE THIS DEED WITNESSETH AS UNDER:

1. The recital pertaining to the Term as mentioned in the Agreement dated 1st April 2013 shall be amended to delete the term of 5 years and shall be replaced with the term of up to March 31, 2022. The Agreement dated 1st April 2013 shall continue till March 31, 2022.

IN WITNESS WHEREOF the parties have executed this Deed at the place and date hereinabove mentioned.

EXECUTED on this day of October 15, 2014 on behalf of the **LICENSOR**

by the undersigned authorized officer

thereof in the presence of witnesses

Sign:

Name: B.S. Karkab

Designation:

EXECUTED at this day of October 15, 2014 on behalf of the **LICENSEE**

by the undersigned authorized officer

thereof in the presence of witnesses

Sign:

Name: (ANIL KHEERA)

Designation: CEO



WITNESSES:-

1. Name:- MANISH K. DOSHI
2. Name:- HEMANT OJWAL

Schedule A

1. "VIDEOCON" and all its appearances, colours, design, presentation.
2. "V" logo and its all appearances, colours, design, presentations.
3. All subsequent modification of aforesaid.



A handwritten signature in blue ink, appearing to be "H. P. M. C.", written over the stamp area.

[\(Back To Top\)](#)

Section 11: EX-10.5 (EXHIBIT 10.5)

Exhibit 10.5

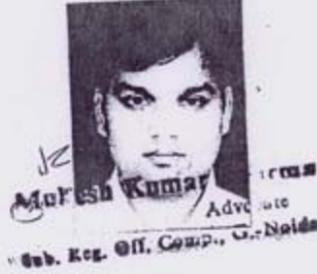


उत्तर प्रदेश UTTAR PRADESH

482351

TRANSFER DEED OF LEASE HOLD RIGHTS FOR INDUSTRY

IN CONNECTION WITH THE INDUSTRIAL PLOT NO.-1D, BLOCK- UDYOG VIHAR,
GREATER NOIDA, DIST. GAUTAM BUDH NAGAR (U.P.) TOTAL PLOT AREA-
48564.09 SQ. MTRS.



For Videcon Industries Ltd.

Authorised Signatory

For Bharat Business Channel Ltd.

Authorised Signatory

TRANSFER DEED OF LEASE HOLD RIGHTS FOR INDUSTRY

IN CONNECTION WITH THE INDUSTRIAL PLOT NO.1D, UDYOG VIHAR INDUSTRIAL AREA, GREATER NOIDA, DIST. GAUTAM BUDH NAGAR (UP) TOTAL PLOT AREA 48564.09 SQ. MTRS.

Circle Rate of land	:	Rs. 2400
Circle rate of construction (Industrial Shed)	:	Rs. 3800
Circle rate of construction (Building)	:	Rs. 6600
Sale Consideration	:	Rs. 125680318
Stamp duty paid on	:	Rs. 125680318
Stamp Duty	:	Rs. 10055000

This transfer deed is made and executed at GREATER NOIDA on this 25th day of April, 2008

Between

VIDEOCON INDUSTRIES LTD., a company incorporated and registered under Companies Act 1956 having its registered office at 14 KM Stone, Aurangabad-Paithan Road, Village Chitegaon, Tal. Paithan, Dist. Aurangabad through its authorized officer Mr. Rakesh Khanna S/o Chander Dev Khanna, R/o E-5/7-A, Shatabdi Vihar, Sector 52, Noida, of the first part, herein after called the **TRANSFEROR**

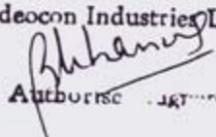
And

BHARAT BUSINESS CHANNEL LTD., a company incorporated and registered under Companies Act 1956 having its registered office at 171, C Wing, Mittal Court, Nariman Point, Mumbai 21 through its authorized officer Shri Sanjeev Rathi S/o Mahesh Chand Rathi, R/o 1324, Sector 37, Faridabad, Haryana, of the second part, herein after called the **TRANSFEEEE**.

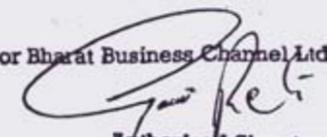
(The expression and words of the Transferor and Transferee shall mean and include their legal heirs, successors, nominees, assigns, executors, administrators and legal representatives respectively)

Whereas, the transferor, aforesaid is an allottee and lessee and in possession of industrial plot No.1D, Udyog Vihar Industrial Area, Greater Noida, Dist. Gautam Budha Nagar (UP). The total plot area 48564.09 sq. mtrs. and covered area 25 sq. mtrs. & Industrial Shed - 2358.29 sq mtrs. duly allotted by Greater Noida Industrial Development Authority vide allotment letter No. IND-00139 dated 27th

For Videocon Industries Ltd.


Authorised Signatory

For Bharat Business Channel Ltd.


Authorised Signatory

February, 2000 and owner of the building erected thereupon herein after referred to as the PROPERTY.

The said industrial building in question is bounded as under.

North East : Other Plot
South East : 24 Mtrs. Road
North West : Other Plot
South West : 24 Mtrs. Road

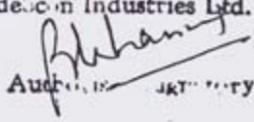
And whereas the lease deed in respect of the said property has been executed by the Greater Noida Authority in favour of the original allottee and same was registered in the office of Sub-Registrar, Gautam Budha Nagar, on Bahi No. I, Jild No. 230, Page 189/234, Document No. 1278 on dated 29/3/2000.

And whereas transferor aforesaid has obtained the permission to transfer the said property in favour transferee from the Greater Noida Authority vide their transfer memorandum No. Industry/Transfer /2008/623 dated 15/02/2008 and copies of said lease deed dated 29/3/2000 and copy of transfer memorandum dated 15/2/2008 is annexed herewith

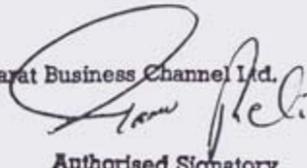
And Whereas the Transferor aforesaid has transferred the above said property in favour of the transferee for the total sale consideration of Rs. 125680318 (Rupees Twelve Crore Fifty Six Lacs Eighty Thousand Three Hundred & Eighteen Only) and the Transferee have also agreed to acquire the same for this very amount.

NOW THIS TRANSFER DEED WITNESSETH AS UNDER :-

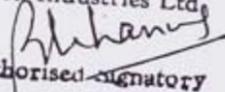
For Videcon Industries Ltd.

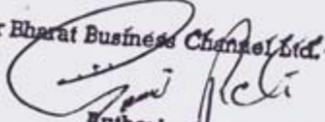

Authorized Signatory

For Bharat Business Channel Ltd.


Authorized Signatory

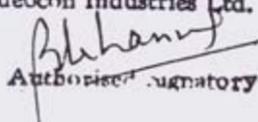
- 1) That the total consideration of the above said property has been settled to as Rs. 125680318 (Rupees Twelve Crore Fifty Six Lacs Eighty Thousand Three Hundred & Eighteen Only) in between both the parties.
- 2) That the Transferor has received a sum of Rs. 125680318 (Rupees Twelve Crore Fifty Six Lacs Eighty Thousand Three Hundred & Eighteen Only) from the Transferee as full and final payment, the receipt of which the Transferor hereby acknowledges and the payments have been made in the following manner:-
- 3) That now there is no balance due towards the transferee to be paid to the transferor in respect of the said property.
- 4) That the Transferor aforesaid has assured the Transferee that the said property is free from all sorts of encumbrances such as charges, sale, lien, gift, pledge, loan, dispute, mortgage, litigation and attachments.
- 5) That the Transferor has transferred all his lease hold rights and interests in the said plot and ownership rights of the building there upon in connection with the said property TO HOLD the same by the transferee finally, absolutely.
- 6) That the Transferor has handed over the vacant and actual physical possession of the said property to the Transferee aforesaid on the spot.
- 7) That the Transferee is entitled to enjoy the full rights of the said property and is entitled to further transfer, further construct and modify the industrial building on the said plot according to the bye laws of the Greater Noida Industrial Development Authority and shall use the said industrial building only as lease for the remaining part of the period of 90 years since 29/3/2000.
- 8) That the Transferee shall be entitled to setup the unit approved by the Authority on the said industrial building and commission it.

For Videocon Industries Ltd.

Authorized Signatory

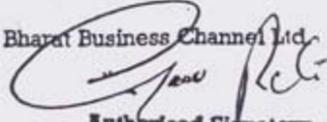
For Bharat Business Channel Ltd.

Authorized Signatory

- 9) That the Transferee shall henceforth pay all the taxes and lease rent as per prevailing rate (2.5.1 of total premium for first 10 years from the date of execution of lease deed and to be revised as per laws of GNIDA) when rent will be revised, a supplementary leased deed will be executed by GNIDA.
- 10) That if after transfer of the said plot, any dues are found upon and they will be paid by transferee with interest.
- 11) That the Transferee has decided to execute the transfer deed in the office of Sub-Registrar Greater Noida within 90 days after issuing this Transfer Memorandum.
- 12) That the Transferor and the Transferee claim that the subject property is not mortgaged and free from all encumbrances. In case the subject property is mortgaged then the transfer permission automatically stands revoked.
- 13) This Transfer Memorandum shall be the part of this Transfer Deed and it will be registered as a part of the transfer deed.
- 14) That any other allotment amount/dues/arrears shall be recovered from the Transferee. In case of default of payment present rate of interest is 25% per annum compounded at half yearly rest for the defaulted amount for the defaulted period.
- 15) That the Transferee shall be bound by the terms and conditions of the lease deed executed between the lessee and the Greater Noida on dated 29/3/2000 subject to the change mentioned in the transfer memorandum otherwise from time to time.
- 16) That the transferee shall enjoy the leaschold rights of the above said property for the balance period of 90 years from the lease dated 29/3/2000.

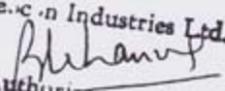
For Videocon Industries Ltd.

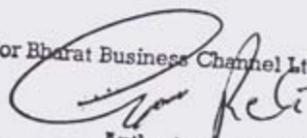

Authorized Signatory

For Bharat Business Channel Ltd.


Authorized Signatory

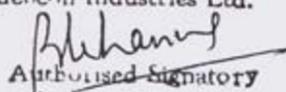
- 17) That the Transferee automatically would inherit all the Land & Building connected to the above property relating to deviation made in building viz. building plan against building bye laws of the Authority.
- 18) That the transferee shall not at any time carry out or permit to be carried on upon the demised premises any trade or business whatsoever or time or permit the same to be used for any purpose other than the manufacture of Set top box, dish antenna, televisions, audio, video products, computers and direct to home broadcasting services without the consent in writing of the GNIDA. The written request of the transferee shall be disposed off within a reasonable period.
- 19) That the Transferee shall pay and discharge all rates, taxes, charges and assessments of every description which are now or may at any time hereafter be assessed, charged or imposed upon either of the demised premises or the building to be erected thereon.
- 20) That the transferee will pay unto the GNIDA the said rent on the days in the manner hereinbefore appointed for payment thereof.
- 21) The transferee shall be bound by the Provisions of the Uttar Pradesh Industrial Area Development Act, 1976 (U.P. Act No.6 of 1976) and rules and regulations framed and directions issued there under from time to time.
- 22) The transferee shall ensure that the industrial effluents discharged by their unit shall meet the standards laid down by Central or State Government to control the pollution and the transferee shall be governed by the State or the Central enactment on the subject.
- 23) The transferee shall comply with the rules, regulations and directions issued by the Central/State Pollution Control Board from time to time.

For Videcon Industries Ltd.

Authorised Signatory

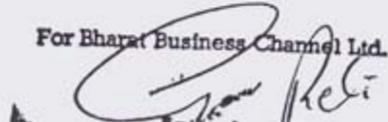
For Bharat Business Channel Ltd.

Authorised Signatory

- 24) The Transferee shall keep the factory building in good and substantial condition and shall permit the GNIDA and its agents to enter upon the demised premises to view the condition of the building and its appurtenances and give notice in writing to the transferee any defects and want of repair. The Transferee shall within three calendar months after receipt of such notice repair the building accordingly.
- 25) That the Transferee shall provide and maintain at its own cost in good repairs a properly constructed approach road or path leading from the public road to the building to be erected on the said plot to the satisfaction of the GNIDA.
- 26) The transferee shall keep the building material/wastes covered from public view.
- 27) That the Transferee shall not employ any process in the manufacture of item approved by the GNIDA which may cause environmental hazard, vis. Atmospheric pollution, effluent, discharge or in any form whatever. If in the opinion of the GNIDA there is any environmental hazard as stated hereinbefore on account of any activity being carried out in the demised premises, the GNIDA shall have the right to force the transferee to cease the activity and take suitable measures as the GNIDA may deem fit.
- 28) That the transferee may transfer, sublet, relinquish mortgage or assign its interest in the demised premises or the building constructed thereon or both only with the previous permission in writing of the GNIDA (whose decision shall be binding on the transferee and which permission shall not be unreasonably withheld.) Provided further that prior permission as aforesaid shall not be necessary in the even of mortgage in favour of whether of the Government of Uttar Pradesh or Industrial Financial Corporation of India Ltd. or in favour of Uttar Pradesh Financial Corporation or Industrial Development Bank of India or the Life Insurance Corporation of India or Industrial Credit and Investment Corporation of

For Videcon Industries Ltd.


Authorized Signatory

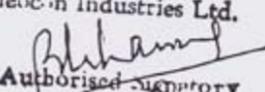
For Bharat Business Channel Ltd.


Authorized Signatory

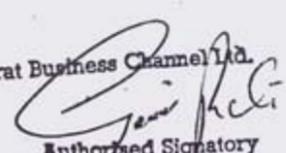
India or any Scheduled Bank, Pradeshiya Industrial and Investment Corporation of U.P.. Provided also that the joint possession transfer of possession of the demised premises or any part thereof by the GNIDA shall be deemed to be subletting for the purpose of this clause.

- 29) Every transfer, assignment, relinquishment, mortgage or subletting as referred to above shall be subject to and the beneficiary thereof shall be bound by all the covenants and conditions contained in this deed and be answerable to the GNIDA in all respect in the same manner as the original Transferee.
- 30) If the transferee commits any act or omission on the demised premises resulting in nuisance, it shall be lawful for the GNIDA to ask the transferee to remove the nuisance within a reasonable period failing which GNIDA shall itself get the nuisance removed at transferee's cost and damages charged from the transferee during the period of subsistence of nuisance.
- 31) That the transferee being a company, makes or attempts to make any alterations whatsoever in the provisions of its Memorandum and Articles of Association or capital structure it shall inform the GNIDA accordingly and the transferee hereby undertakes to get the prescribed particulars of the change registered with the Registrar of Companies under Companies Act, 1956, within the stipulated period.
- 32) That in case of the use of the said industrial plot is not made by the transferee in accordance with the other prevalent rules, regulations and directions of the Industrial Scheme of the Authority, the proceedings will be initiated by the Authority for the cancellation of the allotment and the transferee shall not be entitled to get any relief.
- 33) That there is no machinery, tools etc. in the constructed area. Construction area is vacant. The factory shed is about 7 years old.

For Videcon Industries Ltd.


Authorized Signatory

For Bharat Business Channel Ltd.


Authorized Signatory

- 34) If the Transferee does not abide by the terms and conditions of the lease and residential purpose framed by the Authority then the lease may be cancelled by the Authority and the lessee/transferee in such.
- 35) That the completion certificate is attached with this Transfer Deed of Lease Hold Rights for Industry.

Mode of Payment



For Videocon Industries Ltd.

[Signature]
 Authorised Signatory

Seal of Company

Transferor

Witness:

[Signature]
 Name: *[Signature]*
 S/o. Sh: V.K. Singh
 Address: A-80, Rail Nagar
 A.S.C.C.-50, W.D.D.

Witness:

[Signature]
 Name: KAIL N. BHAT
 S/o. SH. R. N. BHAT
 Address: C-190, FF-2
 RAMPLASTHA
 GZB UP.

For Bharat Business Channel Ltd.

[Signature]
 Authorised Signatory

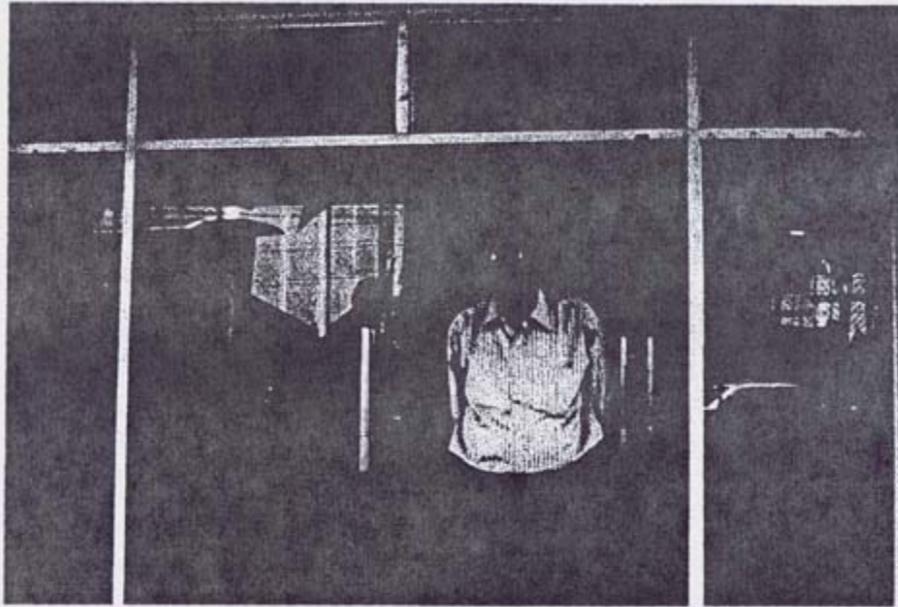
Seal of Company

Transferee

[Signature]
 Drafted by
 Date: _____
 For: _____
 Mob. No. _____
 E-mail: _____

[SIGNATURE PAGE]

INDUSTRIAL PLOT NO.1D, UDYOG VIHAR
INDUSTRIAL AREA, GREATER NOIDA, DIST.
GAUTAM BUDH NAGAR (UP) TOTAL PLOT AREA
48564.09 SQ. MTRS. AND COVERED AREA 25 SQ.
MTRS. & INDUSTRIAL SHED - 2358.29 SQ MTRS



For Videocon Industries Ltd.

[Signature]
Authorised Signatory

For Bharat Business Channel Ltd.

[Signature]
Authorised Signatory

VIDEOCON INTERNATIONAL LTD.

PLOT NO. 1D, INDL. AREA,
GREATER NOIDA(U.P.)

Ref. No. : VIL/2000-2001/
Date : 20.07.2000

To,
The Chief Executive Officer,
Greater Noida Industrial Development Authority,
UTTAR PRADESH

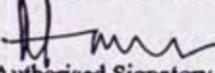
Dear Sir,

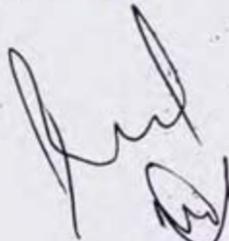
We, hereby, submit following documents for the approval for construction of our factory at
Plot No. 1D, Industrial Area, Greater Noida(U.P.):

- 1). Site Plan
- 2). Plan for manufacturing unit
- 3). Parking Plan
- 4). Land Scape Plan
- 5). Final Assembly Block
- 6). Carton Store Plan
- 7). Hazardous Store Plan
- 8). Electric Sub- station Plan
- 9). Appendix -1
- 10). Appendix -2
- 11). Appendix -8 in one set of three copies each
- 12). Appendix -9
- 13). Appendix -10
- 14). Appendix -12
- 15). Copy of the Council Architecture Registration Certificate of our Architect
- 16). NOC - Pollution Control Board
- 17). Possession Certificate
- 18). Lease Deed
- 19). Registration Certificate
- 20). Allotment Letter
- 21). Ministry of Industry Acknowledgement
- 22) D/D No 209864 for Rs. 64641/-
- 23) D/D No 209865 for Rs. 500/-

Thanking you,

Yours Faithfully,
For Videocon International Ltd.


Authorised Signatory


20.7.2000
Time 2.30 PM

APPENDIX -1
[See REGULATION NO. 5 (1)]

Form for first application to erect, re-erect demolish or to make material alteration in a building.

To,

The Chief Executive Officer,
Greater Noida Industrial Development Authority
Uttar Pradesh

Sir,

I hereby give application that I intend to erect/re-erect/demolish or to make material alteration in the building No _____ Shazra No. _____ on/in plot 10 Udyog Vihar, Greater Noida no _____ in Sector/colony _____ Bazaar/Street _____ Block/Mohalla/Bazar _____ in accordance with the Greater Noida Industrial Development Area Building: Regulations and I forward herewith the following plans and specifications (Items No. 1 and 2 below) in triplicate. (One copy of each cloth bound) duly signed by me and the licensed Architect/Engineer/Draftsman/Group license no _____ who will supervise its erection and copies of other statement/documents applicable (Items no. 3 to 12 below):

1. Site Plan
2. Building Plan including Service Plan
3. Supervision of Building work (Appendix-2)
4. General specification sheet (Appendix-8)
5. Ownership documents.
6. Attested/photostate copies of receipts for payment of application fee.
7. Application for drainage of premises in duplicate (Appendix-9)
8. Council of Architecture Certificate
9. N.B.O. form appendix-10 in duplicate
10. Indemnity Bond (In case of basement only) Appendix-11
11. Structural stability certificate from the licensed technical personal (Appendix-12)
12. Dimension plan (Certified on behalf of the Authority)

I request that the construction may be approved and permission accorded to me to execute the work

Signature of the applicant

Name of applicant (In Block Letter) _____

Address of the applicant

10
1/3
K/Att:- Sh. B.K. Chopra
cc:- Sh. Sanjay (B.K.)
1
8-11-00

**GREATER NOIDA INDUSTRIAL DEVELOPMENT AUTHORITY
COMMERCIAL, COMPLEX, G-BLOCK, SECTOR - 20
NOIDA, DISTT. GAUTAMBUDH NAGAR (U.P.) 201301**

ALLOTMENT LETTER

NO. 333/ADO/GN/U.V/99-100

DATE 29-2-2000

FORM NO:
ALLOT DATE:
ALLOT NO.:
PAY PLAN:

**M/S VIDEOCON INTERNATIONAL LTD.
P.O. BOX NO. 550
AUTO CARS COMPOUND,
ADALAT ROAD,
AURANGABAD-431005**

SUBJECT: Confirm Allotment of Industrial Plot no. 1D Sector Udyog Vihar.

Dear Sir (s),

With reference to the Provisional Allotment No- 71/IND/99 Date 27-12-99 you have complied with the condition of the said letter.

The Authority is pleased to allot the Plot No. 1 D measuring 48564 SQM. In its, UDYOG VIHAR Industrial area for manufacturing- TELEVISIONS, AUDIO & VIDEO, COMPUTERS, WASHING MACHINES, REFRIGERATORS, AIR CONDITIONERS & DISH WASHERS. Only.

- | | |
|--|--------------|
| 1. (a) Total area of Plot | 48564 Sqm. |
| (b) Allotment rate of land | Rs. 500/- |
| (c) Total provisional premium of the plot as per (a) above | Rs. 24282000 |
| (d) Allotment money (50% of the total provisional premium) calculate on (a) above. | Rs. 12141000 |
| (e) Registration money deposited | Rs. 801306 |
| (f) Allotment money payable by 01-05-2000 (after adjustment of Registration money). | Rs. 11339694 |
| (g) Balance 50% amount with interest @ 15% per annum will be payable in ten half yearly instalments. Details of payment of Instalments are enclosed. | |
2. In case of default on the part of the allottee for non-deposit of allotment money, instalments or the execution of the legal documents and/or taking over possession of the plot or delay in payment of lease rent the allotment of the plot is liable to be cancelled.

- 11
3. You may please quote Registration No. and details of Plot etc. in all future correspondence.
 4. No change in project can be make without the prior written permission of the Authority.
 5. In case of any clarification about the allotment letter, you may meet the concerned officer in the office on any working day.
 6. In case of any problem in implementation of the project with any state Govt. Deptt. or any coordination is required, please contact Greater Noida Authority on any working day.
 7. Allottee will obtain all the necessary permissions and clearances etc. from the requisite Department /Agency as is necessary according to law, rules and regulations in force. This shall also apply in case of relevant amenities / facilities that the allottee may need for their project. However in case of any problem the allottee may approach this Authority, which will provide all feasible and available assistance to the allottee in procurement of the subject amenities / facilities.
 8. The allottee shall ensure full compliance with the conditions imposed in this No objection certificate issued by the U.P. Pollution Control Board and will work according to the Pollution Control laws in force.
 9. The allottee will comply with all the terms and conditions pertaining to the supply of water and drainage/ sewerage facilities when provided by the authority.
 10. The plot is allotted on as in where is basis.

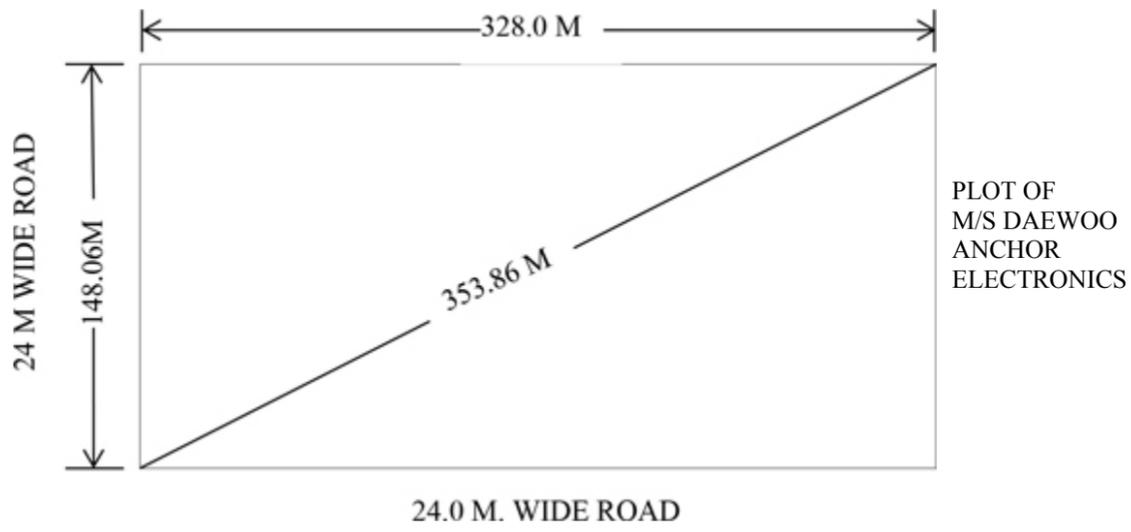

(R.K. Singh)
General Manager(DIC)
Gautam Budh Nagar
For Greater Noida

C.C. TO:

1. G.M.(F), Greater Noida.
2. G.M. (Engg.), Greater Noida.
3. G.M. (Planning), Greater Noida.


(R.K.SINGH)

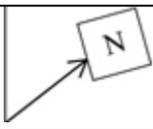
PLOT NO. 10
UDYOG VIHAR



FOR VIDEOCON INTERNATIONAL LTD.

Authorised Signatory

AREA = 48564100 Sqm.

Possession Taken Over	Possession Handed Over Astd manager	
LEASE PLAN OF PLOT NO 10 UDYOG VIHAR:	Prepared by [signature] 23/3/2000 Astd manager manger	



GREATER NOIDA INDUSTRIAL DEVELOPMENT AUTHORITY
COMMERCIAL COMPLEX, SECTOR - 20
NOIDA, DISTT, GHAZIABAD. (U.P.)
PIN - 201 301

POSSESSION CERTIFICATE

Letter No Engg/CD IV/2000/2990
Date 29/3/2000

Plot Code _____
Allotment No IND-00139
Plot No 1-D
Block No _____
Sector Udyog Vihar

Lessee/Allotee's Name
& Address M/S Videocon International Ltd
through Sh. Narendra Verma
P.O. Box No. 550
Adalat Road - Aurangabad 431005

Status/Boundaries of plot	Dimensions	Area (in Sq. m.)	Remark
North <u>east</u> <u>other plot</u>			
South <u>east</u> <u>24m road</u>			
North <u>west</u> <u>other plot</u>			
South <u>west</u> <u>24m road</u>			
		148.06 X 328.00 = 48564.00 sqm	

Site plan of the plot is enclosed herewith

I/We have taken over possession of the plot No 1-D Block No - Sector Udyog Vihar on 28-3-2000

I/We agree with the plot size, area, earmarked in the enclosed plan and the plot is free from encroachment.

Possession handed over by

Possession taken over by

Assistant Manager (Civil)

Signature of the lessee

Copy to:

1. Lessee.
2. General Manager (Property)
3. General Manager (Finance)

(_____)
Assistant Manager (Civil)



उत्तर प्रदेश UTTAR PRADESH

482356

TRANSFER DEED OF LEASE HOLD RIGHTS FOR INDUSTRY

IN CONNECTION WITH THE INDUSTRIAL PLOT NO.-1D, BLOCK- UDYOG VIHAR,
GREATER NOIDA, DIST. GAUTAM BUDH NAGAR (U.P.) TOTAL PLOT AREA-
48564.09 SQ. MTRS.

For Vice Industries Ltd.
[Signature]
Authorized Signatory

For Bharat Business Company
[Signature]
Authorized Signatory

No. 999 Rs. _____
17 Apr 2008
Included in 995
Cashier
* Treasury/Gautam Budh Nagar*

Purchaser

Registration No. 5108

Year: 2008

Book No. 1

0201 Bharat Business Channel Limited through Sanjeev Rathi

Photo

**Thumb
Impression**

Mahesh Chandra Rathi,

171, C Wing, Mittal Court, Nariman Point, Mumbai – 21

Service



UTTAR PRADESH

482354

TRANSFER DEED OF LEASE HOLD RIGHTS FOR INDUSTRY

IN CONNECTION WITH THE INDUSTRIAL PLOT NO.-1D, BLOCK- UDYOG VIHAR,
GREATER NOIDA, DIST. GAUTAM BUDH NAGAR (U.P.) TOTAL PLOT AREA-
48564.09 SQ. MTRS.

For Videcon Industries Ltd.
[Signature]
Authorised Signatory

For Bharat Business Channel Ltd.
[Signature]
Authorised Signatory



उत्तर प्रदेश UTTAR PRADESH

482355

TRANSFER DEED OF LEASE HOLD RIGHTS FOR INDUSTRY

IN CONNECTION WITH THE INDUSTRIAL PLOT NO.-1D, BLOCK- UDYOG VIHAR,
GREATER NOIDA, DIST. GAUTAM BUDH NAGAR (U.P.) TOTAL PLOT AREA-
48564.09 SQ. MTRS.

For Videocon Industries Ltd.

[Signature]
Authorised Signatory

For Bharat Business Channel Ltd.

[Signature]
Authorised Signatory

No. 996 Rs. _____
17 Apr 2008
Included in 995
Treasury/Gautam Budh Nagar

Transfer Document

25,680,318.00	5,000.00	30	5,030/-	1,500
	Registration Fees	Duplicate Fee	Total	Approximate Words

Sri/ Smt. Videocon Industries Limited through Rakesh Khanna,

S/o Sri Chandra Dev Khanna,

Occupation: Service,

Residential Address: 14, KM Stone, Aurangabad,

Paithan Road, Chitegaon, District Aurangabad

Temporary Address: 14, KM Stone, Aurangabad,

Paithan Road, Chitegaon, District Aurangabad

**Thumb
Impression**

Rajesh Tiwari
Dy. Registrar,
Gautam Budh Nagar Taluka,
25/04/2008

Has produced this document on date: 25/04/2008, Time: 5:13 PM, before this office for registration purpose.

Execution of Instrument after careful reading and understanding and receiving the amount Rs. as per the aforesaid Agreement.

Seller
Sri/ Smt. Videocon Industries Limited
through Rakesh Khanna
S/o Sri Chandra Dev Khanna,
Occupation: Service,
R/o: 14, KM Stone, Aurangabad,
Paithan Road,
Chitegaon, District Aurangabad

**Thumb
Impression**

Purchaser
Sri/ Smt. Bharat Business Channel Limited,
through Sanjeev Rathi,
S/o Mahesh Chandra Rathi,
Occupation: Service,
R/o: 171, C Wing, Mittal Court,
Nariman Point, Mumbai – 21

**Thumb
Impression**



उत्तर प्रदेश UTTAR PRADESH

482352

TRANSFER DEED OF LEASE HOLD RIGHTS FOR INDUSTRY

IN CONNECTION WITH THE INDUSTRIAL PLOT NO.-1D, BLOCK- UDYOG VIHAR,
GREATER NOIDA, DIST. GAUTAM BUDH NAGAR (U.P.) TOTAL PLOT AREA-
48564.09 SQ. MTRS.

For Videcon Industries Ltd.

[Signature]
Authorised Signatory

For Bharat Business Channel Ltd.

[Signature]
Authorised Signatory

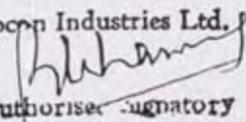


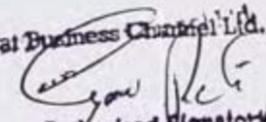
उत्तर प्रदेश UTTAR PRADESH

482353

TRANSFER DEED OF LEASE HOLD RIGHTS FOR INDUSTRY

IN CONNECTION WITH THE INDUSTRIAL PLOT NO.-1D, BLOCK- UDYOG VIHAR,
GREATER NOIDA, DIST. GAUTAM BUDH NAGAR (U.P.) TOTAL PLOT AREA-
48564.09 SQ. MTRS.

For Videcon Industries Ltd.

Authorised Signatory

For Bharat Business Central Ltd.

Authorised Signatory

No. 997 Rs. _____
17 Apr 2008
Included in 995
Cashier
Treasury/Gautam Budh Nagar

Accepted the Execution

Who is identified as Shivendra Krishna Singh,
S/o V.K. Singh,
Occupation: Service,
R/o L-80, RL Nagar, Sector – 50, Noida and

**Thumb
Impression**

In Witness of: Kapil N. Bhatt, S/o R. N. Bhatt,
Occupation: Service,
R/o C-190, SF-2, Ramprasad, Ghaziabad

**Thumb
Impression**

Thumb impressions of witnesses were taken as per rules.

Rajesh Tiwari,
Dy. Registrar,
Gautam Budh Nagar Taluka,
25/04/2008

No. 998 Rs. _____
 17 Apr 2008
 Included in 995
 Cashier
 Treasury/Gautam Budh Nagar

Seller

Registration No. 5108

Year: 2008

Book No. 1

Videocon Industries Limited
 Through Rakesh Khanna
 Sri Chandra Dev Khanna,
 14, KM Stone, Aurangabad, Paithan Road, Chitegaon, District Aurangabad
 Service

Photo

Thumb Impression

[\(Back To Top\)](#)

Section 12: EX-10.6 (EXHIBIT 10.6)

Exhibit 10.6

50,000/-

Customer Copy		
Deposit Slip, New Marine Lines, Mumbai		
Date :	22/10/12	
Pay to :	AXIS BANK LTD. Ax. Bang. Ind.	
Fronding Value	Rs.	50,000/-
Service Charges	Rs.	10/-
Total	Rs.	50,010/-
Name and address of Stamp duty paying party :		
V-Techweb (India) Pvt. Ltd 302, LOTUS HOUSE, 6, NEW MARINE LINES, MUMBAI : 400 020.		
CC / Cheque No. 0		
Drawn on Bank		
		
(For Bank's Use only)		
Tran ID		
Fronding Sr. No. 25090		
Officer		

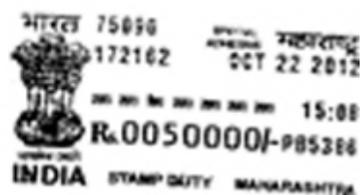
LEAVE AND LICENCE AGREEMENT

THIS LEAVE AND LICENCE AGREEMENT (“**Agreement**”) is made at Mumbai on this 23rd day of October Two Thousand Twelve (“**Effective Date**”)

BETWEEN

V-Techweb (India) Pvt. Ltd. a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 302, Lotus House, 6 New Marine Lines, Mumbai-400020 (hereinafter referred to as the “**Licensor**” which expression shall unless repugnant to the meaning or context thereof shall be deemed to mean and include its successors in business and), of the ONE PART;

PRAVEENKUMAR SINGH
 AXIS BANK LTD.
 Credit Chamber,
 14-16, New Marine Lines, Mumbai-400 020







AND

BHARAT BUSINESS CHANNEL LIMITED, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at Auto Cars Compound, Adalat Road, Aurangabad - 431 005, (hereinafter referred to as “**Licensee**” or “**BBCL**” which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include its successors in business) of the **OTHER PART**.

Each of the Licensor and the Licensee shall be individually referred to as the Party and collectively as the Parties.

WHEREAS:

- I. BBCL, under the License issued by the Ministry of Information and Broadcasting, Government of India, is in the business of establishing, maintaining and operating Direct to Home (“DTH”) transmission services on the satellite television platform, to its subscribers in the territory of India (“**DTH services**”).
- II. The Licensee is in need of a Premises to carry out its aforesaid activities and has requested the Licensors to grant it a Licence to use and occupy the Licensed Premises. The Licensee has represented to the Licensors and has declared that the paid up share capital of the Licensee is above Rupees one crore and it shall maintain the same throughout the License Term.
- III. The Licensor has represented to the Licensee that by and under a development agreement dated 10th January 2006,



Mr. Vasant R. Jadhav and **Mr. Ajit Kumar Karsandas Hamlai** the Promoters of **MAHER - CO-OPERATIVE SOCIETY LIMITED** a Society registered under the Maharashtra Co-operative Societies Act, situated at Village Oshiwara, Taluka Andheri, Link Road, Jogeshwari (W), Mumbai - 400102 (therein referred to as the "**Owners**") and the Licensor therein referred to as the "**Developers**"), the Owners granted full and complete development rights to the Licensor to develop the plot of land bearing CTS No. 131, 133, and 233 admeasuring 5630 sq. mtrs. lying and being situated at Village Oshiwara, Taluka Andheri, Greater Mumbai (hereinafter referred to as the said "**Lands**").

- IV. In view of the development rights granted to the Licensor under the said development agreement dated 10th January 2006, the Licensor has constructed a building known as Tech Web Centre, on the Lands bearing CTS No. 131, 133, and 233, New Link Road, Oshiwara, Jogeshwari (W), Mumbai - 400 102 (hereinafter referred to as the said "**Building**") which is more particularly described in the **First Schedule** of the Agreement.
- V. The Licensor has constructed the said Building and is the absolute and lawful Owner and is seized and possessed of and is entitled to the premises in respect of area
- a) On Ground Floor:- admeasuring 23,500 sq. ft., chargeable area i.e. 17,625 sq. ft. carpet area of the Ground Floor,



- b) On First Floor:- admeasuring 27,108 sq. ft. chargeable area i. e. 20,331 sq.ft. carpet area out of which 9,000 sq.ft. comprises of closed terrace in the First Floor, (the aggregate area of the ground and the first floor admeasuring 50,608 sq.ft. chargeable area) along with 40 car parks and an additional 5 car parks on chargeable basis in the said Building subject to availability of additional car parks.

Based on the representation of the Licensor to the Licensee under this Agreement, the Licensee has requested the Licensor to let out the aforesaid Premises (as hereinafter defined) being Ground Floor and First Floor, Techweb Centre, New Link Road, Oshiwara, along with 40 car parks and an additional 5 car parks on chargeable basis subject to availability of additional car parks (hereinafter collectively referred to as '**the said Premises**' which is marked in red colour in the plan and more particularly described in the **Second Schedule** hereunder written) on Leave & License basis for the purpose of carrying on business of the Licensee for a period of 60 months from the Commencement Date (hereinafter defined) of this Agreement on the terms and conditions hereinafter appearing.;

- VII The Licensor, upon assurances of the Licensee that it shall strictly abide by the stipulations contained in this Agreement has agreed to grant on a Leave and License basis to the Licensee the said Premises on the terms and conditions as stipulated herein under.



*Interjuris,
Advocates & Associates*



NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER:

1. LICENSE:

- 1.1 The Licensee has conducted the legal due diligence in respect of the said Premises and is satisfied that the title of the said premises belongs to the Licensor.
- 1.2 The Licensor hereby grants unto the Licensee merely on Leave and License basis to use and occupy the said Premises in a bare shell and core condition, for a period of 60 (Sixty) months commencing from the Commencement Date (as hereinafter defined)

2. THE LICENSED PREMISES:

The said Premises comprises of the following area admeasuring

- (a) 23,500 sq. ft. chargeable area i.e. 17,625 sq. ft. carpet area of the Ground floor
- (b) 27108 sq. ft. chargeable area i.e.20331 sq. ft. carpet area out of which 9000 sqft closed terrace of the First floor of Techweb Centre, New Link Road, Oshiwara,

(the aggregate area of the ground and the first floor admeasuring 50,608 sq.ft. chargeable area) along with 40 car parks and additional 5 car parks on chargeable basis subject to availability of the additional car parks.



*Interjuris,
Advocates & Associates*

3. TERM OF LICENSE:

3.1 The term of this Agreement shall be for a term of 60 months commencing from 1st October, 2012 (“**Commencement Date**”) and expiring on 30th Sept 2017 referred to as the “**Licensed Period**”). The initial period of three years commencing from the date of execution of this agreement shall operate as the lock in period for both the Licensor and the Licensee and neither party shall terminate this Agreement during the lock-in period, unless otherwise provided under this Agreement.

4. MONTHLY LICENSE FEE:

4.1 In consideration of the Licensor granting the right to the Licensee to occupy and use the said Premises, the Licensee shall pay the Licensor, the fees as stated below:

- a) **For Ground floor:-** shall be sum of Rs. 14,00,000/- (Rupees Fourteen Lakhs only) per month.
- b) **For First Floor: -** shall be sum of Rs. 11, 00,000/- (Rupees Eleven Lakhs only) per month.

(hereinafter referred to as the “**Monthly Licence Fee**”), from the Commencement Date which shall be subject to income tax deductible at source (TDS) as per the Income Tax Act, 1961. The Licensee shall also be liable to pay service tax or any replacement tax or any replacement tax of similar nature and surcharges, cess or levy on such tax levied (Service Tax) on the License Fee.



4.2 The Monthly Licence Fee shall be paid on or before the 5th day of each month in advance. If there is delay in payment of the Monthly Licence Fee and /or any other payment payable under this Agreement, the Licensee shall pay an interest of 12 % p.a. of the Monthly Licence Fee to be calculated from the due date of each of such payment, up to the date of full realization thereof, in addition to the Monthly License Fee. Licensee shall deposit the Tax Deducted at Source (TDS) before the concerned statutory. The Licensee shall issue a TDS certificate to the Licensors for all TDS deducted within the time prescribed under the Income-tax Act, 1961 and the rules made there under.

4.3. The Monthly License Fee will be first escalated by 10 % with effect from 21st April 2013 on the last paid Monthly License Fee and the second such escalation shall be effective from three years thereafter.

5. INTEREST FREE REFUNDABLE SECURITY DEPOSIT:

5.1 The Licensee shall deposit with the Licensor 3 (Three) Months Monthly License Fee equivalent to Rs. 75,00,000 (Rupees Seventy Five Lakhs) as Interest free refundable Security Deposit (hereinafter referred to as the “**Security Deposit**”) as under:

a. **for Ground floor** :- a sum of Rs.42,00,000/- (Rupees Forty Two Lakhs Only)



b. **for first floor** :- a sum of Rs. 33,00,000/- (Rupees Thirty Three Lakhs Only)

aggregating to a sum of Rs.75,00,000/- (Rupees Seventy five Lakhs Only) (“**Interest Free Refundable Security Deposit**”) to the Licensor on the execution of these presents or on such date as may be mutually agreed between the Parties. The Licensor shall hold the Interest Free Refundable Security Deposit during the Licensed Period and the Licensor shall refund the said Interest Free Refundable Security Deposit to the Licensee in accordance with the provisions of this Agreement.

6. REFUND OF INTEREST FREE SECURITY DEPOSITS:

6.1 In the event of expiry of this Agreement herein, the Interest Free Refundable Security Deposit shall be refunded to the Licensee after making appropriate deduction, if any applicable, simultaneously with the Licensee handing over vacant and peaceful possession of the said Premises to the Licensor.

6.2 In the event of earlier termination of this Agreement, subject to terms and conditions of this Agreement, the Licensor shall refund the Interest Free Refundable Security Deposit within 7 days of the termination of this Agreement and the Licensee shall simultaneously hand over vacant and peaceful possession of the said Premises to the Licensor.



- 6.3 The Licensor shall be entitled to adjust amount from the Interest Free Refundable Security Deposit in case of non- payment of monthly license fee and utility charges, taxes, Tax Deducted at Source (TDS), Service tax, levies as payable by the Licensee under this Agreement.
- 6.4 Licensors shall during the License Term be entitled to adjust all amounts in arrears in terms of the Leave and License Agreement, (if the same are outstanding for a period of 15 (Fifteen) days after the same are due by the Licensee from the Security Deposit and the Licensee shall during the License Term deposit the amount so adjusted so as to ensure that throughout the License Term there is deposited by the Licensee a sum equivalent to 3 months License Fees.

7. **CONSEQUENCES OF LICENSOR'S INABILITY TO REFUND INTEREST FREE SECURITY DEPOSIT:**

In the event of any failure by the Licensor to refund the Interest Free Refundable Security Deposit as per the provisions mentioned hereinabove, the Licensee shall be entitled to continue to use and occupy the said Premises without payment of Monthly License Fee. In addition, the Licensor shall pay an interest of 12% per annum from the due date upto the date of full realization thereof. However the Licensee shall have an obligation to pay the utility charges on actual basis to the Licensor until such time the Licensor refunds the Interest Free Refundable Security Deposit, in case the Licensee occupies the said Premises.



8. CONSEQUENCES OF LICENSEE'S INABILITY TO VACATE THE SAID PREMISES:

8.1 In the event the Licensor is ready and willing to refund the Interest Free Refundable Security Deposit to the Licensee, after making appropriate deduction, if any, but the Licensee does not vacate the Licensed Premises on the Expiry Date or on early termination then the Licensee shall be liable to pay to the Licensor liquidated damages i. e the Licensee shall pay to the Licensor interest @ 18% per annum on the monthly License Fees without prejudice to other legal rights of the Licensor. If the Licensee fails and neglects to vacate the said premises within six months from the expiry of this Agreement or early termination, in such an event the Licensee shall be liable to pay liquidated damages of the daily license fees from the period commencing after six months from the expiry of the Agreement or early termination till the date the Licensee removes themselves from the said premises and hands over vacant and peaceful possession of the said premises to the Licensor, without prejudice to the legal rights of the Licensor.



9. NON-PAYMENT OF MONTHLY LICENSE FEE, AND UTILITY CHARGES OR OTHER CHARGES ON VACATING THE SAID PREMISES:

On the expiry of Licensed Period or early termination of this Agreement, if the Licensee vacates the said Premises without paying the outstanding Monthly License Fee, and /or outstanding utility charges, deposit of TDS and service tax and other charges, if any, which are payable by the Licensee as mentioned in this Agreement in respect of the said Premises then the Licensor is entitled to deduct the same from the Interest Free Refundable Security Deposit and the balance amount of the Interest Free Refundable Security Deposit after such deduction will be refunded to the Licensee. If on the expiry of the Licensed Period and/or early termination as the case may be payment for bills in respect of various charges such as electricity bills and telephone bills remain outstanding then the Licensor will retain 3 months average amount of such electricity and telephone charges from the Interest Free Refundable Security Deposit and the balance amount of the Interest Free Refundable Security Deposit will be refunded to the Licensee.

10. UTILITY CHARGES MAINTENANCE CHARGES:

10.1 In addition to payment of the Monthly License Fee as herein above provided, the Licensee shall pay the charges for electricity, water and telecommunication consumed by the Licensee in the said Premises at actual as shown by a separate meter and billed by the respective competent authorities.



10.2 The Licensee shall be responsible to obtain any additional power required by the Licensee over and above the connected load provided. However, the Licensor shall co-operate with the Licensee to obtain such additional power. Any security deposit to be paid to obtain such additional power shall be paid by the Licensee and shall be deposited with the concerned authority and this security deposit will be refunded to the Licensee by the licensor pursuant to surrender of the said additional power on expiry of or earlier termination of the Agreement. The Licensor shall provide 24X7 hour back up power of 180 KVA to the Licensee from its generator sets. The Licensee shall be charged by the Licensor for the power consumed from the generators on actual based on the number of units of power consumed by the Licensee as per the meter installed at respective premises.

10.3 The Licensor shall pay the maintenance charges in respect of the common area of the said Building subject to the provisions of this Agreement. However, the Licensee shall be responsible and liable for the day-to-day minor internal maintenance of the said Premises.

11. WATER SUPPLIES AND SEWERAGE:

11.1 The Licensor shall provide adequate water supply for usage in toilets (hereinafter referred to as the "**Licensee's Toilets**") from the existing supply that the Licensor is availing from the Municipal Corporation of Greater Mumbai ("**MCGM**"). The Licensee shall pay to the Licensor the necessary charges for water supply. However, in the event of MCGM failure to provide adequate water supply, the Licensor shall arrange to procure the water at Licensee's cost.



11.2 The Licensor shall provide for sewerage connection to the Licensee's Toilets.

12. PAYMENT OF TAXES:

12.1 Payment of all current and / or future property taxes shall be borne by the Licensor.

12.2 If service tax and/or any other taxes is/are levied by the concerned authority under the provision of Finance Act or under any other acts or statute of the State Government for or in respect of said Premises, then the Licensee shall be liable to bear and pay or reimburse such tax or amount to the Licensor.

13. THE LICENSOR'S COVENANT/ OBLIGATIONS:

The Licensor hereby covenants with the Licensee as under:

13.1 The Licensor confirms that on the Licensee paying the Monthly License Fees hereby reserved, deposit of TDS amount with the concerned authorities and performing all covenants contained herein or stipulated, the Licensee shall be entitled to hold, possess, peacefully use and occupy the said Premises during the Licensed Period for the Purpose, without any interruption or hindrance from the Licensor or any person claiming under the Licensor.



- 13.2 The Licensor shall be responsible for and shall at its cost carry out all structural repairs, external painting, and all other major civil, electrical, elevator related and plumbing works in respect of the said Premises including but not limited to bursting of water and sanitary pipes and cracks in the structure, seepage etc. Such repairs shall be attended to and repaired by the Licensor within 24 hours of notice in writing sent by the Licensee to the Licensor or such other time period as may be mutually agreed by the Parties or the Licensee may at its option get the repairs done with prior permission of the Licensor and the Licensee shall raise the bills for such repair which shall be payable by the Licensor to the Licensee within 30 days of the date of receipt of such bill.
- 13.3 The Licensor grants to the Licensee, such permission at the Licensee's cost to carry out such additions limited to installing necessary appliance therein subject to that no inconvenience should cause to the other occupant of the said Building, and at the time of vacating the said Premises, the Licensee shall be entitled to take away, without affecting the said Premises, all such additions, installations fittings made by the Licensee in the said Premises as are of moveable nature and shall leave behind the flooring and counters that would have been installed in the said Premises by the Licensees and cost of the flooring and counters that would have been installed shall not be reimbursed by the Licensor.



*Interjuris,
Advocates & Associates*



- 13.4 During the term of this Agreement, the Licensor shall have the right to sell or mortgage the said Premises occupied by the Licensee to any third party. However, the Licensee's interest shall not be prejudice in spite of change in the ownership of the said Premises. In such an event, the Licensor shall obtain a written confirmation from the purchaser as the case may be that the rights of the Licensee granted in terms of this Agreement shall not be impaired by such sale.
- 13.5 The Licensor shall be responsible for taking all the insurance in respect to said Building, however it shall be obligation of the Licensee to insure the equipments situated within the said Premises.
- 13.6 The Licensor shall ensure that the Licensee is entitled to use occupy and enjoy the said Premises in accordance with the terms of this Agreement without any interference, hindrance or disturbance from the Licensor and / or any other person, including closure / sealing of the said Premises by any authorities. Save and except as provided under this Agreement it shall be the obligation of the Licensor to pay all the taxes and other levies such as municipal and property tax, water tax, urban land tax, etc. in respect of the said Premises to the concerned appropriate authority/authorities to ensure that the peace full occupation of the Licensee is not disturbed due to the non-payment of the aforesaid tax as mentioned hereinabove



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14. THE LICENSEE'S COVENANT/ OBLIGATIONS:

14.1 The Licensee hereby covenants with the Licensor as follows: -

14.2 The Licensee shall regularly pay the Monthly License Fee and service tax hereby reserved, deposit TDS amount as set out in Clause herein above without any default or delay.

14.3 The Licensee confirms and agrees that pursuant to due open market survey on fair market value of the said property and/or said Premises, Licensee has agreed to pay Monthly License fee hereby reserved and further indemnify to the Licensor that they shall not dispute the Monthly Licensee Fee as mutually agreed upon during the Licensed Period.

14.4 The Licensee shall observe and comply with all applicable rules, regulations and bye laws in relation to the said Premises.

14.5 The Licensee is and shall not engage in any illegal activity within the said Premises.



- 14.6 The Licensee shall carry out all minor repairs (such as water leakage/ seepage/internal plumbing), if any, in or to the said Premises at the time of vacating the said Premises or on expiry of the License Period, the Licensee shall remove and take away all such furniture, equipment and installations, fittings made by the Licensee in the said Premises as are of moveable nature and may leave behind the flooring and counters that would have been installed in the said Premises by the Licensee and cost of the flooring and counters that would have been installed shall not be reimbursed by the Licensor.
- 14.7 The Licensee shall maintain the said Premises in good condition and will not cause any damage thereto subject to natural wear and tear and shall give back the said Premises to the Licensor on the expiry of Licensed Period under good and tenable condition. The Licensee shall maintain the said Premises in good condition and will not cause any damage thereto. If any damage is caused to the said Premises or any part thereof by the Licensee or its employees, servants or agents, the same will be made good by the Licensee at the cost of the Licensee either by rectifying the damage or by paying cash compensation as may be determined by a mutually agreed upon architect.
- 14.8 The Licensee shall not store or keep any goods in the said Premises, which are hazardous or dangerous in nature
- 14.9 The Licensee may bring such equipments as are necessary for carrying on its business in the said Premises in relation to the Purpose, provided that while such equipments are within the said Premises, all such equipments shall be at the risk of the Licensee and the Licensor shall not be liable for any damage / injury to such equipment unless the same has been caused by the Licensor or its employees or agents.



- 14.10 The Licensee shall regularly pay all electricity, water and telephone bills in the manner in this Agreement and in failure thereof the unpaid amount shall be deducted by the Licensor at the time of refunding the Interest Free Refundable Security Deposit.
- 14.11 In no event without the consent of the Licensor, the Licensee shall carry out any, major additions or alterations, installations works on external part of the said Premises and/or permanent nature in the said Premises. However, Licensee shall be entitled to make, alter/modification, install equipment inside the said Premises. The Licensee shall not during the Licensed Period make any structural alterations in the said Premises but shall be at liberty to install air-conditioners and such other electrical appliances and other conveniences reasonably required without making any major external elevation in the said Building.
- 14.12 The Licensee may at its own costs, reasonably insure and keep insured during the Licensed Period , all its furniture, fixtures and other equipment and valuables, kept or installed and all its property lying in the said Premises from and against any loss or damage caused by earthquakes, fire, theft, etc.



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- 14.13 The Licensee, its employees/ representative, holding or subsidiary Company, group companies and affiliates shall not do any act, which may cause damage to insurance of the said Premises.
- 14.14 The Licensee shall not during the Licensed Period make any structural alterations in the said Premises but shall be at liberty to install air-conditioners and such other electrical appliances and other conveniences reasonably required by the occupants of the said Premises, and which remain the property of the Licensee and shall be removed by the Licensee on vacating the said Premises, provided however that the said Premises are not damaged in any manner whatsoever. If any damage is caused to the said Premises at the time of removal of such installations the same shall be made good by the Licensee.
- 14.15 At the time of vacating the said Premises or on the expiry of this Agreement, the Licensee shall take away all the furniture, equipments and installations and fittings made by the Licensee without causing any damage to the said Premises.
- 14.16 The Licensee shall be entitled to engage/employ, at its cost and expense, security guards for the said Premises who shall be positioned/ located at the said Premises.



14.17 The Licensee, its employees, agents and clients shall at all times be entitled to the use of the common areas, lifts, passages and access way to the said Premises on a 24 x 7 basis. The common services, including lighting in common areas, shall also be made available to the Licensee at all times at no extra charge.

14A. REPRESENTATIONS AND WARRANTIES BY THE LICENSOR

- (a) The Licensor represents that the said Building on which the a said Premises is located has been constructed in accordance with the building plans sanctioned and approved by the concerned authorities and that the Licensor is not in breach of any statutory/municipal regulations with respect to the construction on the said Building/ property.
- (b) The Licensor represents that no permission or prior approval is required for letting out the said Premises for use and occupation by the Licensee for the Purpose.
- (c) The Licensor is the absolute owner and is well and sufficiently entitled to the said Premises and has good right, full power and absolute authority to enter into this Agreement with the Licensee for the Licensed Period and in the manner contemplated in this Agreement.



15. JOINT USER

- 15.1 It is agreed by and between the Parties hereto that the license hereby given by the Licensor to the Licensee is personal and restricted to the Licensee and/or Affiliates and/or its Group Companies. It is clearly agreed and understood that the Licensee shall not be entitled to permit use and occupation and /or create any other third party rights in respect of the said Premises or any part or parts thereof in any manner whatsoever and provided however, it shall always be the responsibility of the Licensee herein that such Group company / Affiliates /subsidiaries vacates and hands over peaceful possession of the said Premises on expiry or earlier determination of this Agreement in terms of this Agreement. It is further clarified and understood that even if Licensee and/or Group Company /affiliates/subsidiaries/ occupy the said Premises or any part or parts thereof, the Licensee herein shall be liable to observe and perform the terms and conditions under this Agreement and continue to be liable to pay the Monthly License Fee and all other amounts as may be payable by the Licensee to the Licensor under this Agreement In case the Licensee's group company/subsidiaries/affiliates is proposing to occupy the said Premises, the Licensee shall give a prior written intimation to the Licensor of its intention of doing so and hereby indemnify and keep the Licensor indemnified in respect thereof.
- 15.2 For the purposes of this Agreement, an Affiliate in relation to a Party means any company, which is under the Control of, or under common Control with, the Party or a company, which exercises Control over the Party. "Control" (including, with its correlative meanings, the term "under common control with"), as used with respect to any entity, means the power to direct the management or policies of such entity, whether through the ownership and possession, directly or indirectly, of more than 51% of the voting securities of such person, through the power to appoint over half of the members of the board of directors or similar governing body of such entity, through contractual arrangements or otherwise.



15.3 In the event of a merger, acquisition, consolidation, amalgamation or any such reorganization of the Licensee into or with any other entity in accordance with applicable law, such resultant entity shall be entitled to all the benefits and like wise liable to discharge all the obligations of this Agreement as if the Agreement is executed between such resultant entity and the Licensor. However, in the aforesaid circumstances the Licensee shall give one-month prior intimation to the Licensor in writing.

16. ACCESS TO LICENSED PREMISES:

16.1 The Licensee shall have unlimited access to the said Premises 24 hours, 7 days per week. The Licensor and the Licensor's authorized representatives shall have full liberty to inspect the said Premises at any time after giving a written notice of at least 48 hours in advance to the Licensee and the Licensor's authorized representatives shall be entitled to enter upon the said Premises and to view and/or make physical verification of the state and condition thereof and to direct the Licensee to set right any wrongful use, damage, repairs, etc.

17. NO ASSIGNMENT OR TRANSFER OF LICENSE:

17.1 It is agreed and declared between the Parties hereto that the license for the use of the said Premises is hereby granted to the Licensee. The Licensee shall not in any manner whatsoever, assign the license or transfer the benefit of this Agreement or license to any person or party or induct any person or party whomsoever in the said Premises or permit or suffer the said Premises to be used by any other person or party whomsoever.



17.2 For the purpose of clarification it is hereby further agreed and recorded that the possession of the said Premises shall always be deemed to be with the Licensor and the Licensee shall not be deemed to be in exclusive occupation of the said Premises save and except as Licensee for the term and upon terms and conditions to be recorded in this Agreement.

18. NO TENANCY OR EASEMENTARY RIGHTS:

18.1 The Licensee hereby expressly agrees, understands, accepts and confirms that the Licensee is by and under this Agreement merely granted a non-assignable and non-transferable permission, for the Licensed Period to use the said Premises, and subject to the terms, conditions, covenants, stipulations and provisions of this Agreement, and that it is not the intention of the Licensee hereto to create any other rights or interests whatsoever (including easementary, leasehold, tenancy or sub-tenancy rights) in respect of the said Premises, and neither the Licensee shall be entitled to and nor shall claim any right or interest whatsoever to use the said premises beyond the Licensed Period or in any manner contrary to the terms, conditions, covenants, stipulations and provisions of this Agreement.



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19. NO RESPONSIBILITY FOR LOSS, THEFT, ETC. :

19.1 The building management will ensure that common security is provided at the building entrance, entrance lobby and elevators. However, the Licensor shall not be responsible or liable for any theft, loss, damages or destruction of any property of the Licensee or of any other person located in the said Premises on account of any cause whatsoever unless directly attributable to actions of the Licensor, its employees or agents. The Licensee will be allowed to keep its private security at all or entry points of the Ground Floor.

20. FORCE MAJEURE:

20.1 If at any time during the subsistence of the Agreement, the said Premises are destroyed or damaged by fire (not attributable to default of Licensee), flood, tempest, accident, earthquake or any act of God, war or due to any other cause beyond the control of the Parties hereto and not on account of act, deed or omission attributable to the Parties hereto so that the said Premises become unfit for occupation and use then in such event, either Party shall not be responsible for the losses to the other Party and the Monthly License Fee and/or utility charges and/or any other charges hereby reserved may be suspended until the said Premises shall have been again rendered fit for occupation and use. Provided that in case of any of the foregoing events, happening or if for any reason which is not attributable to the Licensee, the said Premises cannot be occupied by the Licensee, then in such case either Party after giving a written notice of 30 days shall have the option to put an end to this Agreement forthwith notwithstanding anything hereinabove contained and receive the Interest Free Refundable Security Deposit.



21. EVENTS OF DEFAULT:

The following shall be construed as an Event of Default:

- 21.1 If the Licensee does not pay the Monthly License Fee, deposit the TDS amount before the concerned authorities under this Agreement in spite of receiving a 30 days written notice from the Licensor and such breach is not remedied by the Licensee within 1 month of receipt of the notice;
- 21.2 If either Party commits a material breach of any of its covenants / obligations under this Agreement, which purports to sooner terminate the Agreement or disturb or interfere with the peaceful use and occupation of the said Premises by the Licensee. In such an event, the non-breaching Party shall provide the breaching Party with a written notice seeking to resolve the dispute amicably by the management of the Licensor and the Licensee. In the event no resolution is achieved within 30 days from the date of receipt of the written notice by the breaching party, the non-breaching party shall have the right to terminate this Agreement in accordance with the provisions of Clause under these presents.
- 21.3 If either the Licensor or the Licensee has a receiving final order made against it/them to be wound up or enters into composition with the creditors or;



21.4 In the event of the paid up equity capital of the Licensee falling below rupees one crore or the Licensee filing a notice or making an application to any court or tribunal or such other competent legal forum seeking protection / injunction against eviction available under any prevailing statute only to a lawful tenant, or seeking fixation of standard rent or fees or seeking any other protection or relief available under any prevailing statute only to a lawful tenant, the License granted to the Licensee shall stand terminated on the day preceding the day of the Licensee sending or making such notice or writing or making such application to any court or tribunal or such other competent legal forum; it being expressly agreed, understood and accepted by the Licensee that no tenancy or other rights are being or have been created in favour, of the Licensee. Termination of the Agreement in the aforesaid case shall be automatic and shall not require any act from the Licensor.

22. **TERMINATION:**

22.3 Either Party terminates the Agreement on account of any breach of the terms/ covenants/ obligations/ and/or in Event Of Default of this Agreement, in such an event the other Party shall give a written notice calling upon the defaulting party to rectify the breach within 30 days. If the defaulting Party fails / neglects to rectify the breach, then the other Party may terminate this Agreement upon the expiry of the 30 days notice period.



22.4 In the event of expiry or termination of the License, the Licensee shall have the right to remove any furniture(s) / fixture(s) & equipment(s) as installed by them during the Licensed Period without causing any damage to the said Premises.

23. SIGN BOARDS:

23.1 The Licensee, is allowed to put up signage to display their name and logo on the Ground floor lobby and the main entrance lobby of the said Building at the specified space. All the expenses pertaining to the installation of the same shall be borne by the Licensee.

24. NOTICES:

Any notice or other communication required or permitted to be given to any Party under this Agreement shall be given in writing and shall be delivered by hand, by airmail, facsimile or telex, addressed to each Party at its respective address set forth below, or such other address as may be designated by such Party by notice pursuant to this clause.

If to Licensor: V-Techweb India (Pvt.) Ltd.
302, Lotus House, 3rd Floor,
6, New Marine Lines,
Mumbai-400 020.

If to Licensee: Bharat Business Channels Limited
1st Floor, Techweb Centre, New Link Road,
Near Mega Mall, Oshiwara, Mumbai-400 102
Maharashtra, India



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25. STAMP DUTY AND REGISTRATION CHARGES:

- a). The Parties shall register this Agreement, in accordance with Law.
- b). Stamp duty and registration charges with respect to this Agreement shall be borne by the Licensor and Licensee equally. If the Licensee fail and / or neglect to comply with the statutory requirements of registration within four months of execution of this presence, the Licensor shall not in any way be liable and / or responsible for such failure on the part of the Licensee.
- c). However the Licensor shall cooperate by providing all documentation & other reasonable assistance to the Licensee to complete all formalities in relation to the registration.

26. LEGAL FEES:

Each Party shall bear its own legal charges in connection with this Agreement.

27. GOVERNING LAW AND JURISDICTION:

This Agreement shall be governed by and construed in accordance with the laws of India. The Courts in Mumbai alone shall have the exclusive jurisdiction to try and dispose of any dispute arising out of or under this Agreement.



28. SEVERABILITY:

In the event that any term, condition or provision of this Agreement is held to be in violation of any applicable Law, statute, regulation or order or is declared or adjudged to be illegal, invalid or unenforceable, the same shall be deemed to be deleted from this Agreement and shall be of no force and effect and in that event, this Agreement shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Agreement. Notwithstanding the above in the event of any such deletion, the Parties shall negotiate in good faith in order to agree the terms of a mutually acceptable and satisfactory alternative provision in place of the provision so deleted.

29. WAIVER AND CONSENTS:

No rights under this Agreement shall be deemed to have been waived and there should be no waiver other than by notice in writing signed by other Party. The failure of either of the Parties hereto to exercise any right given to it hereunder or to insist upon strict compliance by the other Party with the terms of this Agreement shall not constitute a waiver of any terms or conditions of this Agreement. The rights or remedies set forth in this Agreement are in addition to any other rights or remedies, which may be granted by law.

30. AMENDMENTS:

No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of all the Parties. The expression "variation" shall include any variation, supplement, deletion or replacement however effected.



31. BINDING NATURE OF THE AGREEMENT:

The obligations under this Agreement will be binding upon and its benefits will ensure to the benefit of the Parties and their respective successors and assignees.

32. COUNTER PARTS:

This Agreement is executed in duplicate. The original Agreement shall be with the Licensee and its copy with the Licensor.

FIRST SCHEDULE ABOVE REFERRED TO:

Building Techweb Centre situated at New Link Road, Oshiwara, Jogeshwari (W), Mumbai 400102 on a demarcated portion of the land admeasuring 5630 sq. mtrs. Or thereabouts bearing C.T.S No. 131, 133 and 233 Situate, lying and being at Village Oshiwara in Taluka Andheri of Mumbai Suburban District and in the Registration District and Sub-District of Mumbai City and Mumbai Suburban and bearing the following description and particulars in the Village records and in the registers and records of City Survey for Mumbai Suburban District.

SECOND SCHEDULE ABOVE REFERRED TO:

Ground floor admeasuring 23,500 sq. ft of built up area i.e. 17,625 sq. ft. carpet area and admeasuring 27,108 sq. ft. chargeable area i.e. 20,331sq.ft. carpet area out of which 9,000 sq.ft. closed terrace in the first Floor, total admeasuring 50,608 sq.ft. chargeable area, in the building known as "Tech Web Centre" marked in red colour.



*Interjuris,
Advocates & Associates*



IN WITNESS WHEREOF, the Parties hereto have hereunto and to the duplicate hereof set and subscribed their respective hands and seals the day and year first hereinabove written.

SIGNED SEALED AND)
DELIVERED by the withinnamed)
'the Licensor' **V-Techweb (India)**)
Pvt. Ltd. pursuant to the Power)
of Attorney dated 8th May 2010)
through the hands of its Director)
Mr. Vasant R Jadhav)
in the presence of)
1. Rajesh A. Bashte)



2. UDAY PALICHA)



SIGNED, SEALED AND)
DELIVERED by the withinnamed)
'the Licensee' Bharat Business)
Channel Limited pursuant to the)
Resolution of the Board of dt. 5th)
January 2009.)
through the hands of its)
Authorised Representative / Dy.)
General Manager (Legal))
Mr. Gajanfar Akbar Khan.)
in the presence of)
1. Dinesh Bhandam)



2.



RECEIPT

RECEIVED of and from withinnamed Licensee Bharat Business Channel Limited a sum of Rs.75,00,000/- (**Rupees Seventy Five Lakhs only**) vide Cheque/DD/PO No.094792 dated 22.10.2012 drawn on IDBI Bank amount of Interest Free Refundable Security Deposit payable by the Licensee to us Rs.75,00,000/-



WE SAY RECEIVED
For, **V-Techweb (India) Pvt. Ltd.**

*Interjuris,
Advocates & Associates*

PERMANENT ACCOUNT NUMBER
AJKPKAR908



Mr. Galangar AKBAR KHAN
Mr. Mr. Galangar KHAN
AKBAR MUHAMMAD KHAN

ISSUE DATE: 09-07-1962

Signature: _____
Signature: _____

Commissioner of Income Tax, Karachi

**Bharat Business
Channel Limited**
www.videocond2h.com

Corporate Office: 1st Floor.
Techweb Centre. New Link Road
Near Mega Mall. Oshiwara
Mumbai - 400 102
☎ (+91-22) 42 555 000
📠 (+91-22) 42 555 050

Registered Office Auto Cars Compound
Adalat Road, Aurangabad 431005
Maharashtra



TO WHOMSOEVER IT MAY CONCERN

I, **Anil Khera, Chief Executive Officer** of **Bharat Business Channel Limited ("the Company")** vide the powers vested in me, to delegate powers by authorization on behalf of the Company vide a Resolution passed by the Board of Directors meeting held on 5th January, 2009 do hereby authorize **Shri. Gajanfar Akbar Khan** an employee of the Company, designated as **Deputy General Manager-Legal** to sign and execute the Leave and License Agreement and Deed of Cancellation and all other related documents, to be executed with **V-Techweb (India) Pvt. Ltd.**, in respect of the office premises in the Techweb Centre, Oshiwara which is more particularly described in the respective Agreements.

/s/ Anil Khera
Anil Khera
Chief Executive Officer

/s/ Gajanfar A Khan

Signature of Gajanfar A Khan

Place: Mumbai

Date: 1st October 2012

Bharat Business Channel Limited
A **Vidiocon Group** Enterprise
C-6 Ashok Steel Compound
159, C.S.T. Road, Kalia, Santacruz (E)
Mumbai - 400 098. India

Tel.: (91-22) 4079 4800
Fax.: (91-22) 2652 8826
Web.: www.d2h.com



CERTIFIED TRUE COPY OF EXTRACTS FROM RESOLUTION OF BOARD OF DIRECTORS OF BHARAT BUSINESS CHANNEL LIMITED ("the Company") HELD ON 5th JANUARY, 2009

"RESOLVED THAT Mr. Anil Khera, Chief Executive Officer of the company be and is hereby authorized to do the following act/s, deed/s from time to time, that is to say:-

To sign and execute various kinds of agreements, contracts, Memorandum of Understandings, including but not limited to the agreements of the nature of Leave & License Agreements, Rent Agreements, Undertakings, Content Contracts etc on behalf of the Company".

"To apply, obtain and renew all license, permits, agreements etc. before Government Authorities as and when necessary on behalf of the company".

"To negotiate, carry on correspondence with any association, company, firm, Corporation, Municipality and department of Government or any other person or public body and file applications and to enter and sign and execute any contract, agreement or any other deed or documents that may be required or deemed proper".

"To pay various dues towards the various revenue authorities except the Income Tax authorities and to pay other necessary fees and charges etc as may be required from time to time".

"To make application necessary for approval(s)/ sanction(s)/ permission(s) as are required & to collect copies and receipts from various Statutory and other authorities excluding the Income Tax authorities".

"To institute and / or to defend legal action(s), suits and proceedings for and on behalf of the Company.

"To apply for the Certified copies of the Orders and other documents and to engage advocate and to take all steps which are necessary for filing an appeal in Higher Courts".

"To lead oral and documentary evidence in the court of law and to lead evidence for and on behalf of Company".



Bharat Business Channel Limited
A **Videocon Group** Enterprise
C-6, Ashok Steel Compound,
159, C.S.T. Road, Kalina, Santacruz (E)
Mumbai - 400 098. India

Tel.: (91-22) 4079 4800
Fax.: (91-22) 2652 8826
Web.: www.d2h.com



“To appear and engage advocate in various proceedings before High Court, Session Court, Civil Court, Criminal Court, Consumer Court, Trade Mark Registry, TRAI, TSATAT, police authority, and before various local, state and central authorities constituted under the law”.

“To file appeals, revision in the High Court, Sessions Court and State Commission in the event of the need to file such appeals or revision or SLP and to appear and engage advocate in any appeal or revision against the company in any court”.

“To compromise and/or settle the matters and to sign compromised documents to be submitted in the Court or to enter into compromise, to withdraw money deposited in the court and to pass receipt for the same in the name and for and on behalf of the company”.

“To appoint legal advisors and fix their retainership fees and other fees in respect of the day to day affairs of the Company”.

“To continue further proceedings of the suits and other proceedings which have already been filed on behalf of the Company under the signatures of its Authorized Representative / Power of Attorney”.

“**RESOLVED FURTHER THAT** Mr. Anil Khera, Authorized Representative of the company be and hereby authorized to delegate any of the powers entrusted to him in favor of any other person as he may deem appropriate and to execute necessary power of Attorney to that effect”.

“**RESOLVED FURTHER THAT** Certified true copy of the resolution be furnished to all the connected parties as may be required”.

CERTIFIED TO BE TRUE
For BHARAT BUSINESS CHANNEL LIMITED


DIRECTOR







General Steno Office, Mumbai
L.S.V. No. 140
महाराष्ट्र MAHARASHTRA
30 APR 2010
Proper Officer

Mr. M. D. Kadam



16 MAY 2011
DC 296728
प्रायव्हेट लिमिटेड व्हायब (इंडिया) प्रायव्हेट लिमिटेड
पदाध्यक्ष



GENERAL POWER OF ATTORNEY

TO ALL TO WHOM THESE PRESENTS SHALL COME, **V-TECHWEB (India) PRIVATE LIMITED**, a company incorporated under the provisions of The Companies Act 1956, and, having its registered office at 302, Lotus House, 6, New Marine Lines, Mumbai 400 020 (hereinafter referred to as "Company" which expression shall unless repugnant to the context or meaning thereof shall be deemed to mean and include its successors in business) SEND GREETINGS:

WHEREAS Company is desirous of appointing some fit and proper person as its true and lawful Attorney:

NOW KNOW ALL MEN BY THESE PRESENTS, that **V-TECHWEB (India) PRIVATE LIMITED**, do hereby nominate, constitute and appoint MR. VASANT R. JADHAV (hereinafter called "**the said Attorney**") as its true and lawful Attorney for it, in its name and on its behalf and at its risk and expense to do lawfully and execute all or any of the following acts, deeds and things that is to say:

1. To demand, sue for, recover and receive from every person and everybody, politic or corporate whom it shall or may concern all such of money, deposits, return of capital debts, dues, goods, wares, merchandise, chattels effects and things or whatever nature or description whatsoever which now or which at any time or times during the subsistence of these presents shall or may be or become due, owing, payable, deliverable or belonging to me solely or jointly with others in or by any right, title, ways or means howsoever and upon receipt of delivery thereof or any part thereof or otherwise as the case may require to make, sign execute and deliver such receipts, releases or other discharges for the same respectively as the said Attorney shall think fit or be advised.
2. To purchase any property for and on its behalf in India both movable and / or immovable and for that purpose to sign and execute all documents, agreements, receipts and other act, things, deeds ancillary and incidental thereto.



A handwritten signature in black ink, appearing to be "Vasant R. Jadhav".

3. To enter into Agreement for lease or monthly tenancy or on leave and licence basis any premises at such rent, compensation and for such terms as the said Attorney may think fit and to execute the necessary lease/ Leave and licence agreements also to give on lease/ Leave and licence agreements any land or building or any part of such land or building for a period to any party(s)/person(s) in such a manner at such rent and upon such conditions as the said Attorney may think fit and also to give for use by way of licence any land or building or any part of such land or building.
4. To execute Agreement(s), Deposit Agreement(s), Instruments, Indemnity Bond (s), Amenities Agreement (s), and all other papers as may be deemed necessary and expedient by the said Attorney to approach, if necessary, the necessary authorities / Company for getting the No Objection Certificate for the purpose of the Execution of Leave and License/Tenancy/Lease Agreement of any land or building belonging to the Company or any part of such land or building. in favour of any party(s) / persons(s).
5. To deal, correspond with and represent it before any Government body or local authorities, and the other statutory bodies and authorities, if necessary and to obtain any consents, approvals, or permission, if so required and for that purpose to sign all applications, papers, forms, declarations, undertakings as may from time to time be required by any of the said authorities.



Handwritten initials or signature.

6. To appear and represent Company by himself or through his duly authorised representatives as the case may be, and to carry on correspondence under their signature with all concerned local, governmental and public authorities and bodies including the Government of Maharashtra and all its departments, the Municipal Corporation of Greater Bombay and all its departments, Assessor & Collector, Municipal Corporation, the Town Planning authorities, the Competent Authority appointed under the Urban Land (Ceiling & Regulation) Act, 1976, authorities under the Maharashtra Land Revenue Code, Maharashtra Regional & Town Planning Act, the Office of the Talati, Mamlatdar, Tahsildar, Office of the Collector and the other Revenue Offices, City Survey Offices, Sub-divisional Officer, Offices of the Land Records and other local or governmental bodies or authorities, for the transfer of the Property to the name of the Company and also for making necessary mutation entries in respect Properties of the Company in the relevant records, and for the said purpose to sign and file necessary Affidavits, forms, applications, petitions, representations, statements and other documents containing true facts and particulars and prefer any appeal reference, review in that behalf as the said Attorney may desire.
7. To obtain in favour of Company, a separate Property Register Card, mutation entries, 7/12 Extracts, from the concerned authorities after sub-division and/or amalgamation of Property/portions therefrom;
8. To apply on our behalf to the Electricity Authority/Board or other companies and concerned authorities for transferring the electric meters on the name of the Company and for the said purpose to sign all necessary papers and documents as may be necessary.



Handwritten signature and initials in black ink, consisting of a stylized 'S' followed by a signature.

9. To give consent in on behalf of Company and as it act and deed and/or in the name of the Company and on its behalf and as its act and deed, to the sale or other transfer of the Transferable Development Rights FSI or floating FSI that may be generated from Company's Property and for this purpose to enter into deeds, documents and Agreements and to receive and appropriate consideration monies in respect of the said sales in such manner as our Attorneys may deem fit.
10. To pay or allow all ground rent, taxes, rates and municipal taxes, insurance premium and all other payments and outgoings whatsoever due and payable for or on account of any lands and buildings belonging to Company and also to carry out repairs to such buildings from time to time and make payments for such repairs.
11. To make, execute and enter into such contracts, transfers, assignments, instruments, accounts and things as shall be required or may be deemed proper either for or in relating to any of the purpose aforesaid.
12. To appear for and represent socieity before all income-tax authorities and make and sign Returns of Income, applications for refund, appeals and revision and reference applications and other proceedings and to do and execute all other acts, deeds, matters and things on its behalf in connection with the tax affairs as the said Attorney shall think fit.



Handwritten initials or signature.

13. To appear for and represent Company to conduct the Sales tax Proceedings, Income Tax proceedings, proceedings before the Municipal authorities with regard to the Property and any other applicable tax and charges before the Assistant Commissioner, commissioner, Inquiry officer or any such statutory authority and to do all other acts which are necessary and incidental for the proper conduct of the matter such as presenting the books of account, furnishing details, to give statement on oath, obtain different kinds of forms etc..
14. To appear for and represent Company before all MCGM authorities, Police authorities and such other Government Authorities or Municipal Officers to make and sign applications and other proceedings and to do and execute all other acts, deeds, matters and things on its behalf in connection with the affairs as the said Attorney shall think fit.
15. To commence and prosecute, and to defend, appeal, refer to arbitration, compound, settle and abandon all actions, proceedings, suits, claims, demands in relation to the business and property of the Company or other wise in relation to the affairs of the Company and for such purposes to sign, verify and present any document, pleadings or other instruments in writing and to appear and make statement on oath or otherwise in relation to the affairs of the Company and for that purpose to sign and execute all documents, writings plaints, petitions, affidavits and applications as may be necessary in its name and to obtain decree, to appoint any pleader, agent, solicitor or advocate for the said purpose and to obtain legal advice in any matter affecting the Company.



Handwritten signature and initials in black ink, appearing to be "S" and "R" or similar characters.

16. To appoint and employ any Attorney, advocates, income-tax experts, accountants, architects, Valuers, Consultants or other persons and the same from time to time dismiss and discharge and to appoint or employ others in his stead.
17. To take charge of its immovable properties wherever situate whether given on leave and licence, tenancy, lease or otherwise and to deal with such tenants, lessees and licensees in such a manner as the said Attorney shall deem fit and proper.
18. To appear before the Sub-Registrar of Assurances anywhere in the Union of India on its behalf and to execute and present for registration any documents in which Company may be interested and also to admit execution of any document signed and executed by Company and to take all steps and proceedings that may be required for the purpose of such documents, property registered under the Indian Registration Act.
19. AND GENERALLY to do all other acts, deeds, matters and things whatsoever in or about the estate, property and affairs belonging to Company and concur with any person or persons jointly interested with Company therein and doing all acts, deeds, matters and things herein either particularly or generally described as amply and effectually to all intents and purposes as Company could do in its own proper person if these presents had not been executed.



A handwritten signature in black ink, consisting of a stylized 'S' followed by a flourish.

20. AND COMPANY DO HEREBY RATIFY AND CONFIRM and agree to ratify and confirm whatsoever the said Attorney or any substitute shall do or purport to do by virtue of these presents.

IN WITNESS WHEREOF COMPANY have set and subscribed its hand
to this writing on this 8th day of Nov 2010 Two thousand Ten

SIGNED AND DELIVERED

by the within named :

V-TECHWEB (INDIA) PVT. LTD.)

in the presence of :

- 1. Rajesh A. Bashte
- 2. S. tarann Khandekar



ACCEPTED BY:

MR. VASANT R. JADHAV



DHANRAJ PATIL
Advocate High Court, Mumbai
Ground Floor, Esplanade Court,
MUMBAI - 400 001.



BEFORE ME

G. J. RAJANI

NOTARY GREATER MUMBAI
Bldg. No. 3A Plat No. 102,
1st Floor, Shiy Bhagtiani Manor,
Near Hiranandani Complex,
Powai, Mumbai - 400 072.

S. No. 240 Page 75
Dt. 10/15/10 of Notary
Register.....

DATE THIS DAY OF 2010

BETWEEN

V-TECHWEB (INDIA) PVT. LTD.

TO

MR. VASANT R. JADHAV

GENERAL POWER OF ATTORNEY

Interjuris
Advocates & Associates
302, Lotus House, 3rd floor
6, New Marine Lines
Mumbai 400 020



9

[\(Back To Top\)](#)

Section 13: EX-10.7 (EXHIBIT 10.7)

Exhibit 10.7



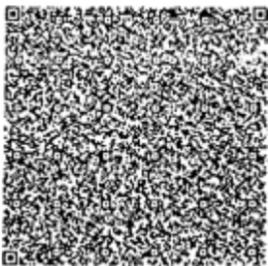
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL77445853232850L
Certificate Issued Date	: 11-Feb-2013 11:38 AM
Account Reference	: IMPACC (IV)/ d1736003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL73600354508306101128L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article 5 General Agreement
Property Description	: NA
Consideration Price (Rs.)	: 0
	: (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: NA
Stamp Duty Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 100
	: (One Hundred only)



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ANNEXED AND FORMING INTEGRAL PART OF TERM LOAN AGREEMENT EXECUTED BY MIS. BHARAT BUSINESS CHANNEL LIMITED ON 25th DAY OF FEBRUARY 2013 AT NEW DELHI IN FAVOUR OF CENTRAL BANK OF INDIA

For Bharat Business Channel Limited

Director / Authorised Signatory

Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs)

2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilastamp.com"

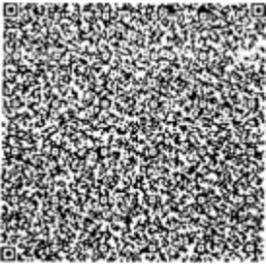


INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL77447630756512L
Certificate Issued Date : 11 -Feb-2013 11:40 AM
Account Reference : IMPACC (IV)/ d1736003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600354507615091555L
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Property Description : NA
Consideration Price (Rs.) : 0
: (Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : NA
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
: (One Hundred only)



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ANNEXED AND FORMING INTEGRAL PART OF TERM LOAN AGREEMENT EXECUTED BY MIS. BHARAT BUSINESS CHANNEL LIMITED ON 25th DAY OF FEBRUARY 2013 AT NEW DELHI IN FAVOUR OF CENTRAL BANK OF INDIA

For Bharat Business Channel Limited

Director / Authorised Signatory

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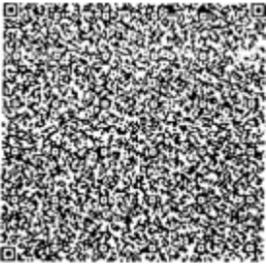


INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL77449676194353L
Certificate issued Date	: 11-Feb-2013 11:42 AM
Account Reference	: IMPACC (IV)/ d1736003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL73600354506643413414L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article 5 General Agreement
Property Description	: NA
Consideration Price (Rs.)	: 0
	: (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: NA
Stamp Duly Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 100
	: (One Hundred Only)



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ANNEXED AND FORMING INTEGRAL PART OF TERM LOAN AGREEMENT EXECUTED BY MIS. BHARAT BUSINESS CHANNEL LIMITED ON 25th DAY OF FEBRUARY 2013 AT NEW DELHI IN FAVOUR OF CENTRAL BANK OF INDIA

For Bharat Business Channel Limited

Director / Authorised Signatory

Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilestamp.com"

TERM LOAN AGREEMENT

This **TERM LOAN AGREEMENT** is made at New Delhi on 25TH day of February 2013, between **M/S. BHARAT BUSINESS CHANNEL LIMITED**, a company within the meaning of the Companies Act, 1956 and having its Registered Office at **Auto Cars Compound, Adalat Road, Aurangabad - 431 005 and having corporate office at at 1st Floor, Techweb Centre, New Link Road, Near Mega Mall, Oshiwara, Mumbai 400102 and at Videocon Tower, 12th Floor, Jhandelwala Extn., New Delhi** (hereinafter referred to as the "Borrower" which expression shall, unless it be repugnant to the subject or context thereof, mean and include its successors and permitted assigns) of the One Part.

AND

CENTRAL BANK OF INDIA, a Bank constituted and functioning under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and having its Head Office at Chander Mukhi, Nariman Point, Mumbai -400 021 and a Branch Office amongst other places at **Corporate Finance Branch, Chander Mukhi, Ground Floor, Nariman Point, Mumbai -400 021**, (hereinafter referred as "**BANK**" which expression shall unless repugnant to the subject or context thereof be deemed to mean and include its Successors and Assigns) of the **Second Part**,

WHEREAS:

- 1) The Borrower is a **Limited Company**, incorporated, inter alia, for the purpose of Subscriber Acquisition cost viz the cost of consumer premises equipments (CPE) Consisting of Set Up box, outdoor unit and smart card, Cost of CPE inventory build up and other General Capital Expenditure and has approached the Bank for a **Term Loan of Rs. 100 Crore (Rupees One Hundred Crore Only)**.

For Bharat Business Channel Limited

Director / Authorised Signatory

- 2) At the request of the Borrower, **BANK** vide their sanction letter No. CFB/NP/2012- 13/765 dt 20th February 2013 (Copy of the sanction letter is annexed hereto as "Annexure - 1") sanctioned to the Borrower a **Term Loan of Rs. 100 Crore (Rupees One Hundred Crore Only Crores Only)** (hereinafter referred to as "**the Said letter of Sanction**", which expression shall include all amendments made by **BANK** from time to time, in the said letter of sanction and shall include all fresh and new letter of sanction issued from time to time by the **BANK**), in aggregate on the terms and conditions as set out therein for the purposes of for the purpose of Subscriber Acquisition cost viz the cost of consumer premises equipments (CPE) Consisting of Set Up box, outdoor unit and smart card, Cost of CPE inventory build up and other General Capital Expenditure as set out in the Borrower's application to the Bank (hereinafter referred to as "**the said Project**"):

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:-

ARTICLE I

- 1.1 The Borrower's Application dated 18.12. 2012 made to the Bank and the subsequent correspondence (hereinafter collectively referred to as "**the Borrower's Proposals**") shall be deemed to constitute the basis of this Agreement and the Term Loan as hereinafter stated, and the Borrower hereby warrants the correctness of each and every statement and particulars therein contained and undertakes to carry out the particulars therein contained and undertakes to carry out the Borrower's proposals therein set forth.
- 1.2 The Borrower hereby declares and confirms that the Term. Loan of Rs.100 crores shall be governed by the terms and conditions of the Letter of sanction.

For Bharat Business Channel Limited

Director / Authorised Signatory

1.3 DESCRIPTION OF PROJECT:

The Borrower is at present in the process of acquiring subscriber for its D2H services on PAN India Basis and in order to, part finance the Project cost and to meet the funding requirement towards subscriber acquisition cost viz the cost of consumer premises equipment(CPE) consisting of set op box, out door unit and smart card the Borrower has interalia, requested the Bank to provide a **Rupee Term Loan facility of Rs. 100 Crore (Rupees One Hundred Crore Only)**.

1.4 AMOUNT:

The Borrower agrees to borrow from the Bank and the Bank agrees to lend to the Borrower, **Term Loan facility of Rs. 100 Crore (Rupees One Hundred Crore Only)**, in Indian Rupees on the terms and conditions contained herein and the sanction letter of the **BANK**

1.5 INTEREST:

- i. The Borrower undertakes to pay to **BANK** interest on the Said Loan at the rate specified in the **FIRST SCHEDULE** hereunder. The above would be subject to change from time to time in accordance with the changes in the Base rate/ spreads announced by the **BANK** and Reserve Bank of India directives/ policy guidelines of the **BANK**.
- ii. The Borrower further undertakes to pay interest payable/ compounded at monthly rests during the currency of the Loan in such manner as may be specified by the **BANK** to the Borrower.
- iii. All interest which shall during the continuance of this Agreement accrue due on the Loan or any part thereof and for the time being remaining unpaid, and all other monies which have become payable under this Agreement shall, in case the same be not paid on the dates on which they become due, carry further interest at the rate of 2% over and above the aforesaid interest payable by the Borrower for the period of default, shall become payable.

For Bharat Business Channel Limited

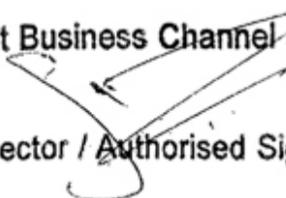
Director / Authorised Signatory

- iv. All such interest and further interest shall stand secured under the security created/to be created in terms of Article II hereof.
- v. The Bank reserves the rights to revise the interest rates in case of downgrading of Credit Risk Rating of the Borrower even during the reset period.
- vi. The interest rates/spread will be reset on completion of one year from the date of first disbursement and every year thereafter and the revised rates will be fixed from time to time in accordance with BASE Rate prevailing at the relevant time as per Reserve Bank of India guidelines and /or policy guidelines of the Bank.
- vii. In the event of any adverse change in the Credit Risk Rating of the Borrower, non compliance of the terms and conditions of sanction, any cost or time overrun in the project or any other adverse changes in the project parameters during the implementation period/change in the policy guidelines of the Bank/RBI directions, Bank reserves the rights to reset the spread and Base Rate on floating basis.
- viii. Notwithstanding anything stated hereinabove, the Bank reserves its right to revise the spread over the Base Rates for fixing the interest rates if the Reserve Bank of India revises the standard/guidelines on Assets provision and/or enhances the risk weights for the assets.

1.6 TERMS OF DISBURSEMENT:

The disbursement of the said Loan will be released as mentioned hereunder and for the purposes as set out in the Loan Application and in accordance with the draw down schedules as detailed there under and/or submitted by the Borrower to the Bank and the normal banking practice of the **BANK**.

- ✓ Long Term Loan of Rs. 1,200 Crore is envisaged to get disbursed in maximum 24 tranches of Rs. 50 crore each during FY13 and FY14 as under:

For Bharat Business Channel Limited

Director / Authorised Signatory

	FY13		FY14		FY15	Total
	Q3	Q4	Q1	Q2	Q1	
Amout (Rs. Crore)	350.00	400.00	250.00	150.00	50.00	1,200.00

Loan availability period is stipulated at 2.5 years and Company may avail disbursement in tranches - Company to submit CA certificate of that effect.

Notwithstanding what is stated hereinabove, the Borrower hereby agrees that the loan is sanctioned by the Bank on the clear understanding that the Bank hereby reserves its rights to alter/modify the terms and conditions of the sanction of the loan and/ or to stop making further advances and/or cancel the loan and/or recover the Loan in part/full at any time without any prior notice and without assigning any reasons even though the said loan has not been fully availed of by the Borrower and that any advance/disbursement made by the Bank under the Loan shall be repayable by the Borrower on demand by the Bank.

1.7 PROJECT COST AND FINANCING PLAN:-

			(Rs. In Crore)
Cost of Project	Rs. 2410.69	Total Debt	1200.00 *
T/L from our Bank	Rs. 100.00	DE Ratio	1.90:1
		IRR	13.31
Margin (excluding internal accruals)	26.13%*	Proposed Share	8.33%
Maximum DSCR	3.07		
Minimum DSCR	1.47	Avg DSCR	2.34

* Out of Total Debt of Rs. 1200.00 Crore, Share of Central Bank of India Rs. 100.00 Crore

**The Means of Finance for the Projects includes Equity (IPO), Internal Accruals and change in net current assets (Advances from subscribers).

Financing plan

For Bharat Business Channel Limited

Director / Authorised Signatory

3 year business plan financing of Rs.2411 crore, to be financed by way of Rupee Term Loan of Rs.1200 crore (Rs.750 crore in FY 2013, Rs.400 cr in FY 2014 and Rs.50 crore in FY 2015), Rs.630 crore in the form of equity capital through IPO and Rs.581 crore in the form of internal accruals & decrease in net current assets of the Company.

- (a) Notwithstanding anything to the contrary contained in this Agreement, the Borrower agrees that during the implementation period of the project, the Facility shall be repayable by the Borrower on demand being made by the **BANK** at any time.
- (b) The Borrower agrees that the **BANK** shall have the right to conduct a review of the project at any time, during implementation, and before completion, of the project. The Borrower agrees that:-
 - (i). If a result of such review, the **BANK** determines that the Borrower has implemented/is likely to implement the Project within the Project Cost and in accordance with the Financing plan and has commenced/is likely to commence commercial operation by the Completion Date, then the Borrower shall repay the principal amounts of the Facility on the dates set out in the repayment schedule as set out in Second Schedule hereto or such other dates as may be specified by the **BANK**.
 - (ii). If, however, as a result of such review the **BANK** determines that the Borrower has not implemented/nor likely to implement the Project within the Project Cost and/or in accordance with the Financing plan and /or the Borrower has not completed/nor is likely to complete by the Completion Date, the **BANK** shall have the right to require the Borrower to revise the cost of the Project, means of financing Completion Date as also to revise the repayment schedule as a set out in **SECOND SCHEDULE** hereto and stipulate such additional conditions as the **BANK** may, in their absolute discretion, deem fit and to require the Borrower to take such other measures as may be stipulated by the **BANK** in the light of the revised cost of the Project/means of financing, Completion Date. Unless otherwise agreed to by the **BANK**, the Facility would continue to be repayable on demand until the Borrower complies with the stipulated terms and conditions to the satisfaction of the **BANK** and completes the project and the Borrower shall repay the Facility in accordance with the repayment schedule as may be stipulated by the **BANK** which repayment Schedule shall be final and binding on the Borrower.

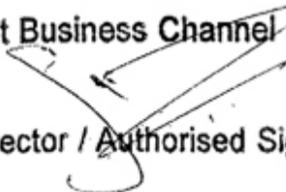
For Bharat Business Channel Limited

Director / Authorised Signatory

(iii). The Borrower hereby undertakes to execute necessary affidavits/ undertakings/certificates as may be required by the Bank, from time to time, certifying that the funds comprising of entire amount of loan/facility/sum due/amount outstanding in the account have been used exclusively for the purpose for which they were obtained and the proceeds of the loan/investments in the project have not been diverted/siphoned off and also that no misrepresentation has been caused of any kind or accounts have been falsified/any fraudulent transactions have been carried out by the Borrower etc.

1.8 REPAYMENT:

The Borrower shall repay the Loan in the manner as set out in the **SECOND SCHEDULE**. The BANK shall be at liberty to specify different dates of payment of the principal amount of the Loan than those specified herein for any part of the Loan and the Borrower undertakes to pay the same accordingly. In the event of any default in the payment of principal or interest the postponement, if any, allowed by the **BANK** (the **BANK** shall be entitled at their absolute discretion to refuse or allow) penal interest shall be payable by the Borrower @ **2%** above the rate of interest charged for the Loan or such rates of interest as may be decided by the **BANK** from time to time. If for any reason the amount finally disbursed by the **BANK** out of the Loan is less than the amount of the Loan, the repayment of the Loan shall stand reduced proportionately but shall be payable as provided in Second Schedule.

For Bharat Business Channel Limited

Director / Authorised Signatory

The Borrower hereby undertakes to make good any shortfall in the cash flow/surplus due to not achieving projected level of operations or inadequate cash generations or for any other reasons from their own sources to meet the repayment obligations to the Bank.

The Borrower shall maintain Escrow account with the Bank and shall credit all the project related transactions to the Escrow account on the terms and conditions acceptable to the Bank

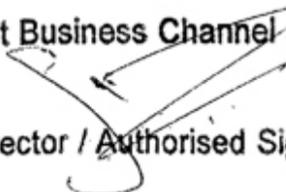
1.9 PREPAYMENT

Any prepayment of the term loan will be subject to payment of prepayment premium @ 2%p.a. of the pre-paid principal. Provided that no pre-payment premium would be payable to the Bank, if

- The interest spread is increased on interest rest dates and the same is not acceptable to the company, the company shall have the option to prepay the outstanding debt within 90 days of receipt of advice from Bank
- The prepayment is at the instance of the Bank

1.10 PENAL INTEREST ON DEFAULTED AMOUNTS:

In case of default in payment of principal, interest or any other monies payable by the Borrower to **BANK** under this Agreement, the Borrower shall pay interest on the defaulted amounts/interest, at the rate of 2% p.a. above the rate of interest specified in the first Schedule or as per the **BANK's** rates prevailing from time to time for the period of default payable/compounded at monthly rests and all such defaulted amounts and Penal Interest which have become payable but not paid, shall stand secured under the security created/to be created in terms of **Article II** hereof PROVIDED that nothing contained in this Clause shall entitle the Borrower to make any default, or delay in payment of principal and interest or any other monies payable by their respective due dates,

For Bharat Business Channel Limited

Director / Authorised Signatory

1.9 PENAL INTEREST ON OTHER DEFAULTS (ADDITIONAL INTEREST)

Disbursement's made pending creation of security within the stipulated time period, as specified in Security Clause shall carry additional interest @ 1% p.a. over and above the applicable interest rate from the expiry of the stipulated period till the creation of such security.

The amount shall be payable on demand and in. absence of any such demand, on the next interest payment date falling after the stipulated date till the security is created.

1.10 UPFRONT FEES/PROCESSING CHARGES/FEES etc.

The Borrower shall pay to the Bank, one time non refundable & non adjustable upfront fee of 0.15% (plus applicable taxes and cess) on the amount agreed to be granted under the Rupee Term Loan Agreement on or before the date of signing of the Rupee Terra Loan Agreement.

1.11 TAXES, LEVIS AND DUTIES:

All interest, fees, charges, commission, discount as described hereinabove shall be paid net of all taxes, levies and duties etc. and any taxes, levies and duties payable shall be paid by the Borrower, in addition thereto.

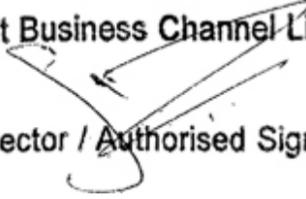
1.12 MARGIN:

The Borrower shall at all times maintain an overall margin of **26.13%** or at such other rates against the cost of the fixed assets to be acquired for the project.

1.13 APPROPRIATION OF PAYMENTS:

Unless otherwise agreed to by **BANK** any monies payable under this Agreement and made by the Borrower shall be appropriated by **BANK** in the following manner, namely:

- i) First towards costs, charges, expenses and other moneys payable;
- ii) Secondly, towards Penal Interest;

For Bharat Business Channel Limited

Director / Authorised Signatory

- iii) Thirdly, towards Interest; and
- iv) Lastly, towards repayment of installments of principal due and payable under this Agreement.

ARTICLE II

2.1 SECURITY FOR THE LOAN:

The Rupee Term. Loan, together with interest thereon, further interest, liquidated damages, costs, expenses and all other monies whatsoever, shall be secured by way of first pari passu charge on

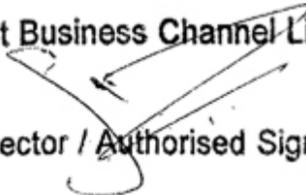
- All Movable/Immovable Asset of the Company (both present as well as future) on pari-passu with existing term lenders.
- First: Charge on the Escrow Account
- Assignment of all Government Authorisation, Licenses, Contracts relating to transponder capacity etc,
- Assignment of all Insurance Policies of the borrower on paripassu basis
- Assignment of DTH license, on pari passu basis with existing term lenders

AND

DSRA for 1 quarter's debt service payment (Principal + Interest) to be created latest by January 1, 2015

The Borrower is allowed 3 months time from the date of first disbursement for availing NOC from the existing lenders and perfect the security. Further the borrower is allowed another 3 months time for assignment of DTH licenses.

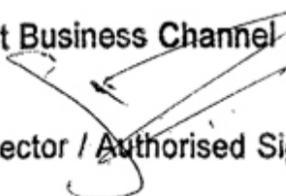
The Borrower hereby agrees and undertakes to execute all the necessary documents, deeds writings and do all such acts as may be required/ called upon to do to create a valid mortgage/hypothecation/assignment of the said immoveable properties and assets described hereinabove to secure the term loan of **Rs. 100 Crores** in the mode and manner acceptable to the Bank and also arrange to file necessary forms/applications with Registrar of Companies and/or such other authorities for registration of the charges so created and also to submit to the Bank charge registration certificates.

For Bharat Business Channel Limited

Director / Authorised Signatory

In the event of the Borrower's default/delay in creation/perfection of the Securities as provided hereinabove, the Borrower shall without prejudice to the rights and remedies of the Bank as provided hereunder, pay Penal/default interest at the rate of 2% above the rate of interest specified in the First schedule or as per the Bank's rates prevailing from time to time for the period of default commencing from completion of 6 months from the date of first disbursement, payable/compounded at monthly rests, and all such Penal interest which have become payable but not paid, shall stand secured under the security created/to be created in terms of this Article-II hereof PROVIDED that nothing contained in this clause shall entitle the Borrower to make any default or delay in creation/perfection of securities in favour of the Bank.

2.2 **GUARANTEE**

The Borrower shall procure and furnish to **The Bank** before any disbursement by **The Bank** under the Facility, irrevocable and unconditional joint and several guarantee from **M/s Solitaire Appliances Pvt.Ltd, M/s Platinum Appliances Pvt. Ltd and M/s Greenfield Appliances Pvt. Ltd., Shri Venugopal N. Dhoot and Shri Pradipkumar N. Dhoot** (collectively referred to as "the Guarantor(s)") for the due repayment/payment of the Facility, all interest thereon and other monies payable by the Borrower in respect of the Facility, in a form prescribed by **The Bank**. The Borrower shall not pay any guarantee commission to the Guarantors.

For Bharat Business Channel Limited

Director / Authorised Signatory

The Borrower shall ensure that the Guarantor observe all the covenants, terms, conditions, restrictions and prohibitions of the guarantee(s) and agrees that any violation of the same by the Guarantor shall constitute an Event of Default under this Agreement and **The Bank** shall be at liberty to recall the Facility and enforce the rights and remedies available to them under the Transaction Documents or otherwise.

ARTICLE III

3.1 BORROWER'S WARRANTIES:

Save and except to the extent already disclosed in writing by the Borrower to **BANK** the Borrower hereby warrants and undertakes as follows

a) DETAIL SPECIFIED IN THE LOAN APPLICATION:

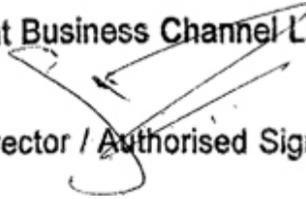
The Loan Application of the Borrower to the **BANK** contains an accurate details of the Borrower's program for financing and executing it, except as approved by the **BANK** immediately prior to the execution of this Agreement, and the information furnished by the Borrower to the **BANK** from time to time is true and correct and shall be deemed to form a part of the representations and warranties on the basis of which **BANK** has sanctioned the Loan and the terms and conditions on which **BANK** has sanctioned the loan shall also be deemed to form part of this Agreement.

b) DISCLOSURE OF ANY MATERIAL CHANGES

Subsequent to the loan application to the **BANK**, the Borrower has not made any material changes in the details provided in the loan application, the line of activity, the management set-up, scheme of finance except as approved by the Bank from time to time, immediately prior to the execution of this Agreement.

c) INFRINGEMENTMENT OF LOCAL LAWS

No suit is pending in any court of law in respect of the security offered to **BANK** nor has the Borrower been served with any notice for infringing the Director / Authorised Signatory provisions of any Municipal Act or any Act relating to local bodies or Gram Panchayats or with any other process under any of these Acts.

For Bharat Business Channel Limited

Director / Authorised Signatory

d) **DUE PAYMENT OF PUBLIC AND OTHER DEMANDS:**

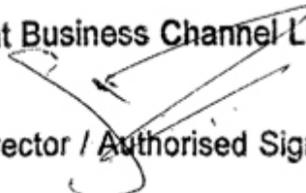
The Borrower has filed all tax returns which are required to be filed and has paid all public demands such as Income Tax, Corporation Tax and all other taxes and revenues and any other statutory dues payable to the Central or State Government or to any local or other authority and that at present no arrears of any taxes, revenues and dues are due and outstanding except for those demands which are in dispute and are subject to appellate proceedings.

e) **LICENSE**

The Borrower has obtained and produced where applicable, or undertakes to obtain and produce relevant licenses and undertakes that the Licenses shall be kept valid to the satisfaction of the BANK.

f) **CONSENTS AND LICENSES:**

The Borrower undertakes to satisfy the Bank that all consents, licenses, approvals etc. as are necessary for the implementation of the said project, have been duly obtained/shall be obtained from the Central Government, State and/or other authorities concerned and shall be effective and be in force at all material times.

For Bharat Business Channel Limited

Director / Authorised Signatory

g) **ARRANGEMENT FOR MEETING SHORTFALL:**

The Borrower hereby undertakes, to meet the shortfall if any for completing the project. The funds brought in to meet the shortfall by the Borrower for completing the project shall be in such form and manner and on such terms as may be required by **BANK** and the Bank shall not dilute its charge or lien or other interest in the mortgaged/hypothecated assets of the Borrower. In the event of such funds being brought in by way of unsecured loans or deposits they shall not be withdrawn nor shall the Borrower repay the same without the prior written approval of the **BANK**. The Borrower shall also not pay any interest on such unsecured loans or deposits if at the time of such payment, there is a default in the payment of installments of principal amounts of the Loans and/or interest due and owing by the Borrower to the Bank under this Agreement.

h) **COMPLIANCE OF PROVISIONS OF COMPANIES ACT, 1956, IN RELATION TO BORROWINGS:**

The Borrower states and confirms that the Loan is within the Borrowing limits of the Borrower and that no permission or approvals save those already obtained by the Borrower have to be obtained in order to borrow the Loan from the **BANK**.

i) **DELIVERY OF THE BOARD RESOLUTION AUTHORISING EXECUTION OF DOCUMENTS:**

The Borrower has delivered a certified copy of the resolution of its Board of Directors approving and authorising the execution of this Agreement and also such other documents as may be required by **BANK** for the purpose of creating the security in favour of the Bank as stipulated in Article II thereof.

j) **CONFLICT WITH MEMORANDUM AND ARTICLES OF ASSOCIATION:**

Nothing in this Agreement conflicts with the Memorandum and Articles of Association of the Borrower.

For Bharat Business Channel Limited

Director / Authorised Signatory

k) **CORPORATE STATUS:**

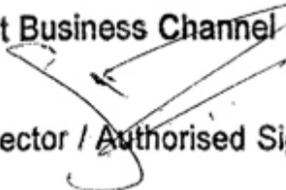
The Borrower is duly organized and incorporated under the Companies Act, 1956, with perpetual corporate existence and has the corporate power and authority to own its properties and to transact the business in which it is engaged or presently proposes to engage.

l) **CORPORATE POWER AND AUTHORITY:**

The Borrower has the corporate power to borrow and to execute, deliver and carry out the terms and provisions of this Agreement, and all instruments and documents delivered by it pursuant to this Agreement, and the Borrower has taken or caused to be taken all necessary corporate action (including but not limited to, the obtaining of any consent of shareholders required by any law or by its Articles or Memorandum of Association to authorize the execution, delivery, and performance of this Agreement, the borrowing hereunder, and the execution, delivery, and performance of the instruments and documents delivered or to be delivered by it pursuant to this Agreement.

m) **NO VIOLATION OF AGREEMENT:**

The Borrower is not in default under any indenture, mortgage, deed of trust, agreement or other instrument to which it is a party or by which it may be bound. Neither the execution of this Agreement, or any of the instruments and documents to be delivered pursuant to this Agreement, nor the consummation of the transactions herein and therein contemplated, nor compliance with the provisions hereof or thereof will violate any law or regulation, or any order or decree of any court of governmental instrumentality, or will conflict with or result in the breach of, or constitute a default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Company is a party or by which it may be bound or result in the creation or imposition of any lien, charge, or encumbrance upon any property of the Borrower thereunder, or violate any provision of the Articles or Memorandum of Association of the Borrower.

For Bharat Business Channel Limited

Director / Authorised Signatory

n) **NO BURDEN SOME AGREEMENTS:**

The Borrower is not a party to any agreements or instruments or subject to any corporate restriction (including any restriction set forth in its Articles or Memorandum of Association) materially and adversely affecting its operations, business, properties or financial condition.

o) **CORRECT INFORMATION:**

The information furnished by the Borrower in connection with this Agreement or pursuant hereto or in any other Agreement, deed or writing executed between the Borrower and **BANK** does not contain and will not contain any untrue statement and does not fail and will not fail to state any fact, the failure of which make or will make the statements (herein or therein) in the light of circumstances under which they are made, misleading and all impressions of expectation, intentions belief and information contained herein and to be contained therein, have been and will be honestly made on reasonable grounds after due and careful inquiry by the Borrower.

p) **DEFAULTER'S LIST**

Neither the Borrower or their Directors, their associates/group concerns and the Guarantor figure in any list of "Willful Defaulters" circulated by the Reserve Bank of India or any Bank and Financial Institution or the caution list issued by Reserve Bank of India/Export Credit Guarantee Corporation/Director General of Foreign Trade etc.

For Bharat Business Channel Limited

Director / Authorised Signatory

q) **The Borrower represents and warrants that:-**

- (i). None of their directors is a director or specified near relation of a director of a banking company.
- (ii). None of their directors is a director or specified near relation of any officer of the Bank, and
- (iii). Borrower or their directors are not facing any litigation which have been initiated by other financiers including Banks.
- (iv). None of their directors are disqualified under Section-274 of the Companies Act, 1956.

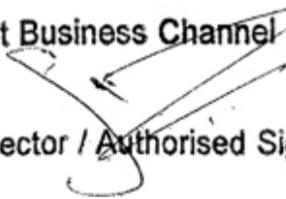
ARTICLE IV

4.1 **CONDITIONS PRECEDENT TO THE DISBURSEMENT/DRAWDOWN:**

Notwithstanding anything to the contrary contained herein the BANK shall not be obliged to disburse the Loan unless and until the Borrower fully complies with terms and conditions of sanction letter and also the following Preconditions.

FOR FIRST DISBURSEMENT

- (a) Borrower shall give unconditional acceptance of terms and conditions as per letter of sanction, which shall form part of documentation and be placed on bank records. Any contravention of terms and conditions shall trigger the penal interest and or recall clause at the option of the Bank.
- (b). The Borrower shall pass resolution under Sec. 293 (1)(d) of the Company Act 1956. A confirmation under Section 292(5) of the companies Act should be obtained to the effect that the powers of the directors in respect of borrowing has not been restricted / withdrawn in the General Body Meeting. For creation of First charge over fixed assets necessary resolution under sec 293(1) (a) shall be passed in the General Body Meeting. Certified True copies of the Resolution shall be submitted to the Branch.

For Bharat Business Channel Limited

Director / Authorised Signatory

- (c). Execution of necessary documents as per extant guidelines of the bank and registration of the necessary charge to the ROC.
- (d). Payment of stipulated upfront fees.
- (e). The Borrower to submit Chartered Accountants certificate giving project repayments of various term lenders.

ARTICLE V

COVENANTS AND TERMS TO APPLY DURING THE CURRENCY OF THIS AGREEMENT

5.1 **PARTICULARS AFFIRMATIVE COVENANTS:**

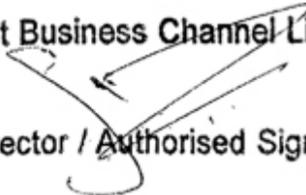
The Borrower hereby agrees that until the Loan or any interest thereon or any cost, charges, expenses or any other monies remains payable hereunder by the Borrower to the BANK, the Borrower shall:

(a). **COMPLIANCE WITH TERMS OF SANCTION**

At all times abide by and comply with the terms and conditions of sanction letter of the BANK.

(b). **REPAYMENT OF THE TERM LOAN TO OTHER BANKS/ FINANCIAL INSTITUTIONS:**

repay the amount of Term Loans if any to the other Banks/ Financial Institutions with due diligence and efficiency and in accordance with sound financial and business practices.

For Bharat Business Channel Limited

Director / Authorised Signatory

(c). **CORPORATE EXISTENCE:**

Maintain its corporate existence and right to carry on operations and take all steps necessary to renew all rights, powers, privileges, concessions, which are necessary or materially useful in the conduct of its business.

(d). **UTILIZATION OF LOANS:**

Use the proceeds of the Loans for the purpose of the implementation of Project undertaken by the Borrower. The Borrower further undertakes not to invest the loan proceeds in shares, stock markets operations, purchase of lands/immovable property or for any other speculative activities.

The Borrower hereby agrees and undertakes that the Loan is not being availed/will not be availed for any activities relating to producing or consuming Ozone Depleting Substances, in terms of Montreal Protocol to which Government of India is a party. Further that the Project/ Borrower are compliant with various environment laws and has obtained all relevant environmental clearances for the proposed project. That the Borrower has instituted and shall from time to time institute appropriate monitoring, evaluation and reporting process and confirms that the project does not/ shall not have any negative environment or social impact and appropriate corrective measures shall be taken as recommended by relevant authorities

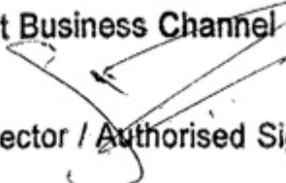
(e). **INSURANCE:**

- (i) At its own expense, insure and keep insured up to the replacement value thereof as approved by BANK the said immovable properties and also the assets charged to the Bank along with agreed Bank Clause against fire, theft, lightning, explosion, earthquake, flood, riot, strike, civil commotion, tempest, storm, erection risk and war risk and such other risks as may be specified by the Bank and shall duly pay all premium and other sums payable for that purpose. The Borrower shall deposit and keep deposited with the Bank the insurance policies and renewals thereof and the receipts for the premia paid therefor;

For Bharat Business Channel Limited

Director / Authorised Signatory

- ii) In the event of failure on the part of the Borrower to insure the said immovable properties and also the assets or to pay the insurance premium or other sums referred to above, **BANK** may but shall not be obliged to, get the said immovable properties and also the assets insured or pay the insurance premium and other sums referred to above, as the case may be and the Borrower shall forthwith on receipt of a notice of demand from the Bank reimburse them all sums so paid by them together with interest thereon, at the same rate as specified in Article 1.1 hereof with monthly/ quarterly rests from the date of payment and until such reimbursement by the Borrower, the same shall be debited to the Borrower's Loan account and shall stand secured under the security created or to be created in terms of Article III hereof;
- iii). All monies received under, or by virtue of, any such insurance as aforesaid shall be applied towards replacement of the assets in respect of which Insurance claim Proceeds are received or the payment of the monies payable by the Borrower to **BANK** hereunder;
 - i) First towards costs, charges, expenses and other moneys payable;
 - ii) Secondly, towards Penal Interest;
 - iii) Thirdly, towards *Interest*; and
 - iv) Lastly, towards repayment of installments of principal due and payable under this Agreement;

For Bharat Business Channel Limited

Director / Authorised Signatory

(f) **CHANGES:**

Promptly notify **BANK** of any proposed change in the repayment of the Term Loan to the Financial Institutions and of any event or condition which might materially and adversely affect or result in substantial over run in the original estimates. No proposed change in the repayment of the Term Loans if any to the Financial Institutions shall be implemented or funds committed therefor unless the prior written approval of **BANK** have been obtained.

(g) **ADVERSE CHANGES IN THE PROJECT:**

Promptly inform **BANK** of the happening of any labour strikes, lock out, shut downs, fires or other similar happenings or events likely to have an adverse effect on the Borrower's said project or their profits or business with an explanation or the reason therefor and corrective steps taken.

(h) **CONTRACT CHANGES:**

Obtain prior concurrence of **BANK** to any material modification or cancellation of the Borrower's agreements with its machinery suppliers, technical consultants and suppliers.

(i) **MAINTENANCE OF THE MORTGAGED/HYPOTHECATED PROPERTY/ASSETS**

The Borrower shall maintain and keep the said immovable properties and the assets in good condition and to ensure that the value of such properties do not depreciate save and except for normal wear & tear.

(j) **NOTICE OF WINDING UP OR OTHER LEGAL PROCESS:**

Promptly inform **BANK** if they have notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Companies Act, 1956 or any other notice under any other Acts or otherwise of any suit or legal process intended to be filed or initiated against the Borrower's title to the properties and assets of the Borrower or if a Receiver is appointed of any of its properties or business or undertaking or if any notice has been received under the Companies Act, 1956, or any other enactment claiming inspection of the books of account and records of the Borrower by any public officer.

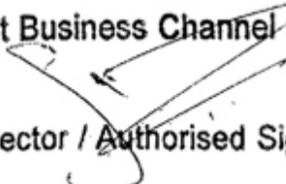
For Bharat Business Channel Limited

Director / Authorised Signatory

(k) **FINANCE STATEMENTS AND OTHER INFORMATION:**

The Borrower shall submit to the **BANK**

- (i) Every year a certificate from the Statutory Auditor of the Borrower certifying that the Promoters have not transferred/assigned their shareholding in the Borrowing Company.
- (ii) Promptly upon receipt thereof, copies of all financial reports if any, submitted to the Borrower by its Auditors, financial statements in connection with each annual or interim audit of their respective books by such Auditors within (90) days from the dates to which the Financial statements relate to;
- (iii) Promptly upon the issuance thereof copies of all reports to or from any governmental agency or any stock exchange and all reports, notices, or statements sent to its shareholders;
- (iv) Promptly upon the receipt thereof by the Borrower all letters, notices, petitions, complaints and other documents relating to any suit, action, petition, litigation or other legal proceeding of any nature whatsoever commenced by or proposed to be commenced by or against the Borrower;

For Bharat Business Channel Limited

Director / Authorised Signatory

- (v) Promptly such other information respecting the business operations and financial condition of the Borrower as BANK may from time to time request The Bank is hereby authorized to deliver a copy of any financial statement or any other information relation to the business, operations or financial conditions of the Borrower which may be furnished to them or come to their attention pursuant to this Agreement or otherwise, to any regulatory body or agency having jurisdiction over **BANK** or to any person which shall, or shall have any right or obligation to succeed to all or any part of the Bank interest under this Agreement and any security provided pursuant hereto;

(1) **FINANCIAL COVENANTS**

The Borrower shall always maintain the following financial ratios:-

- Total Debt to Contributed Equity of note more than 2
- Fixed Asset Coverage Ratio not less than 1.25

The financial covenants shall be tested annually commencing from the year commencing from FY 2015 with refrence to the year end audited financial statements of the company. The Company shall pay penal interest @ 1% p.a, on the RTL outstanding, in the event of any adverse deviation of more than 10% from the levels stipuated as above [to be calculated at the end of each financial year)

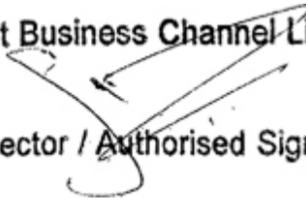
(m) **APPOINTMENT OF KEY PERSONNEL**

The Borrower shall appoint qualified and experienced key functional areas of the Borrower to the satisfaction of the **BANK**.

(n) **BOOKS AND RESEVERS:**

The Borrower shall;

- (i) Maintain at all times true and complete books, records and accounts in which true and correct entries shall be made of its transactions in accordance with generally accepted accounting principles consistently applied and consistent with those applied in the preparation of its financial statements; and

For Bharat Business Channel Limited

Director / Authorised Signatory

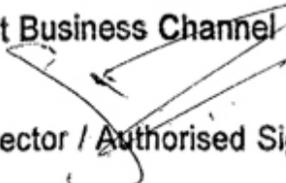
(ii) By means of appropriate quarterly entries, reflect in its accounts and in all financial statements furnished to **BANK** pursuant hereto proper liabilities and reserves for all taxes and proper reserves for depreciation, renewals and replacements, obsolescence and amortization of its properties and bad debts all in accordance with generally accepted accounting principles consistently applied, as above described.

(o) **FURTHER ASSURANCES:**

The Borrower shall, at its cost and expense, upon request of **BANK** duly execute and deliver to **BANK** such further instruments and do and cause to be done such further acts as may be necessary or proper in the opinion of the Bank to carry out more effectually the provisions and purposes of this Agreement and the security created or to be created pursuant hereto.

(q) **EXTERNAL CREDIT RATING**

The Borrower shall at its cost and expenses get the external credit rating within six months from the date of first disbursement, failing which penal interest @1% will be charged on the outstanding amount. The borrower shall also get itself re-rated from an agency acceptable to **BANK** afterwards every year as on 31st March and submit the same within 6 months from the date of closure of financial year. The **BANKs** reserve its rights to reappraise the loan and other facilities on the basis of rating of External Credit Rating Agency and on account of failure of the Borrower in obtaining the external credit rating within the stipulated time limit. The Borrower shall pay penal interest @ 1% p.a. above the rate described in the First Schedule hereunder for any delay/default in compliance PROVIDED however, that nothing contained herein shall entitle that Borrower to delay/default: compliance with this covenant.

For Bharat Business Channel Limited

Director / Authorised Signatory

5.2 **IMPOSTS, CHARGES AND OTHER EXPENSES:**

- (i) The Borrower shall duly pay and discharge, (a) all taxes, assessments and governmental charges upon or against the Borrower or its properties or assets prior to the date on which penalties attach thereto, and (b) all lawful claims, whether for tort damages, labour, materials, supplies, services, repairs, wages or otherwise, which might or could if unpaid become a lien or charge upon the properties or assets or the Borrower;
- (ii) The Borrower shall pay all costs, and expenses in anyway incurred by BANK including travelling and other allowances and such additional stamp duty, to pay duties, taxes, charges and other penalties if and when the Borrower is required to pay according to the laws for the time being in force in the State in which its properties are situated or otherwise and the Borrower shall also pay any stamp duty, additional stamp duty, penalty, fine, registration charges and all other costs, charges and expenses incurred or payable in the event any document relating to the security created or to be created in terms of Article II hereof;
- (iii) In the event of the Borrower failing to pay the monies referred to in sub- clause (i) and (ii) above, BANK will be at liberty (BUT SHALL NOT BE OBLIGED) TO PAY THE SAME AND THE Borrower shall forthwith on receipt of a notice of demand from the Bank reimburse them all sums so paid by them together with interest thereon at the same rate as provided in the First Schedule hereof with monthly/quarterly rests from the date of payment and until such reimbursement by the Borrower, the same shall be debited to the Borrower's loan account and shall stand secured under the security created/to be created in terms of Article II hereof.

For Bharat Business Channel Limited

Director / Authorised Signatory

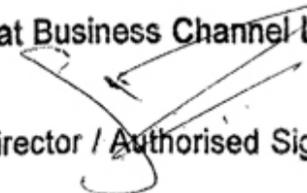
5.3 **FURNISHING OF DOCUMENTS EXECUTED IN FAVOUR OF OTHER BANKS AND INSTITUTIONS:**

The Borrower shall furnish to the **BANK** certified copies of all documents in respect of arrangements made or to be made with Bankers, Financial Institutions or others for financing the said project and the Borrower shall ensure that there is no provision in those documents which is inconsistent with this Agreement,

5.5 **IMPORTANT MATTERS TO BE PLACED BEFORE THE BOARD:**

The Borrower shall ensure that all important matters are submitted to the Board of Directors for its consideration or decision. Any matter which may be specified by **BANK** shall be submitted to the Board together with all information, particulars and papers pertaining thereto in such form, manner and within such time as may be required by the Bank.

The Borrower agrees that **BANK**, shall have the right to appoint, whenever they consider necessary, any person, firm, company or association of persons engaged in technical management or any other consultancy business to inspect and examine the working of the Borrower and to report to the **BANK**. The Borrower shall give full co- operation and provide the necessary assistance to the consultants so appointed in carrying out such examination, The costs, charges and expenses of the examination by the Consultants including their professional fees and travelling and other expenses shall be payable by the Borrower and shall be reimbursed to the Bank forthwith on receipt of a notice of demand in this behalf. In the event of the failure of the Borrower to make such reimbursement, the said sums shall carry interest at the same rate as provided in the First Schedule hereof with monthly/quarterly rests from the date of payment and until such reimbursement, the said sum shall be debited to the Borrower's loan account and shall stand secured under the security created in terms of Article II hereof.

For Bharat Business Channel Limited

Director / Authorised Signatory

5.9 **CORPORATE GOVERNANCE PRACTICES:**

The Borrower agrees and undertakes to adhere to Corporate Governance Practices in Borrower's business undertaking.

5.10 **NEGATIVE COVENANTS:**

The Borrower hereby agrees that until the Loan or any interest thereon or any costs, charges, expenses or any other monies remain payable hereunder by the Borrower to **BANK** the Borrower shall not without the prior written permission of **BANK**

(a) **COMMISSION:**

Pay commission to its promoters, directors, managers or other persons for furnishing guarantees, counter-guarantees or Indemnities or for undertaking any other liability in connection with any financial assistance obtained or to be obtained for or by the Borrower or in connection with any other obligations undertaken for or by the Borrower for the purpose of the said project.

(b) **DIVIDENDS:**

Declare or pay or consider the declaration or payment of any dividend to any of its shareholders, whether equity or preference, during any accounting year except out of profits relating to that year unless the Borrower has paid to **BANK** the installment of principal, interest, commitment charges, costs, charges and other monies payable under this Agreement upto the date on which dividend is proposed to be declared or has made provisions satisfactory to **BANK** for making such payment. **BANK** shall have first charge/rights on the profits of the Borrower, after provision for taxation to the extent of the amounts of the term loan facility and all other monies payable by the Borrower to the Bank in respect thereof.

For Bharat Business Channel Limited

Director / Authorised Signatory

(c) **CHARGES:**

Create or permit the creation of any charge or lien on any fixed assets of the Borrower except as provided in Article II hereof. For the purpose of this clause the term "**assets**" shall including revenues and property of any kind.

(d) **AGREEMENTS AND ARRANGEMENTS:**

Enter into any partnership, profit-sharing or royalty agreement (not including bonus paid to the employees of the Borrower, royalties payable to foreign collaborators in the amounts or rates specified in agreements approved by BANK and the Central Government) or other similar arrangement whereby its income or profits are or might be shared with any other person, firm or company or enter into any management contract or similar arrangement whereby the business and operations of the Borrower are managed by any person, firm or company.

The Borrower shall not create any charge, lien or encumbrances over its undertakings or over part thereof in favour of any Financial Institutes/Bank /Company/Firm or persons.

(e) **AMENDMENTS OF MEMORANDUM AND ARTICLES OF ASSOCIATION:**

Amend its Memorandum and Articles of Association or alter its capital structure except as specified herein.

(f) **TRANSFERS:**

Except as provided in Article II hereof, transfer, sell , mortgage, pledge charge or create any lien, lease, leave and license or tenancy or otherwise encumber any of the capital or fixed assets of the Borrower or except in the ordinary course of business, part with any of its assets, including machinery stores and machinery spares, both present and future.

For Bharat Business Channel Limited

Director / Authorised Signatory

(j) **CHANGES IN CAPITAL STRUCTURE.**

Not to effect any changes in the capital structure of the Borrower.

(k) **AMALGAMATION / RECONSTRUCTION**

Not to formulate any Scheme of Amalgamation or Reconstruction of any kind;

(l) **EXPANSION / DIVERSIFICATION**

Not to implement any Scheme of Expansion/Diversification /Modernization other than incurring routine capital expenditure;

(m) **INVESTMENTS**

Not to make any corporate investment or investments by way of share capital or debentures or lend or advance funds to or place deposits with, any other concern except give normal trade credits or place on security deposits in the normal course of business or make advances to employees, provided that the Borrower may make such investments by way of deposits or advances that are required statutorily to be made as per the existing laws of the country or the rules or regulations or guidelines issued from time to time by the Authorities concerned;

(r) **DIRECTOR'S REMUNERATION**

Change the practice with regard to remuneration of Directors by means of ordinary remuneration or commission scaling of sitting fees etc.

For Bharat Business Channel Limited

Director / Authorised Signatory

PROVIDED HOWEVER THE BORROWER MAY:

(i) **NORMAL TRADE GUARANTEES:**

Give normal trade guarantees or make temporary loans or advances to staff, to contractors or suppliers, in the ordinary course of its business or deposit temporarily its idle funds with its Bankers.

5.11 **MANAGEMENT:**

(a) **EXISTING ARRANGEMENT:**

The Borrower hereby agrees and undertakes that except under the provisions of the Companies Act, 1956, the Directors shall not during the term or terms of their office be removed from their office without the prior consent of the **BANK**. Further, so long as any moneys remain due and owing by the Borrower to the **BANK**, the Borrower agrees and undertakes as follows:

- (i) That Promoters shall not transfer/assign their shareholding and the Promoters shall continue to hold shares in the Borrower Company.
- (ii) The Borrower shall not pay any remuneration or commission to the Directors except those fixed or to be fixed by the Government of India from time to time and approved by the **BANK**;
- (ii) The Borrower shall not, without the prior approval of the **BANK**, pay any compensation to the Directors in the event of loss of their office for any reason whatsoever, if there is any default on the part of the Borrower in the payment of any installment of principal sum and interest and other monies due and owing by the Borrower to **BANK** subsisting at the time;
- (iii) The Borrower shall not permit any transfer of controlling interest or make any drastic change in the management operations, The Promoter's shareholdings shall not be diluted below 51% in any case for which the promoters shall submit a suitable non disposal undertaking.

For Bharat Business Channel Limited

Director / Authorised Signatory

5.12 **LEGAL CHARGES:**

The Borrower shall, upon notice from **BANK** pay or reimburse to the **BANK** all legal charges, costs and expenses in any way incurred by the **BANK** for the preservation/protection of the assets of the Borrower or the interest of the **BANK** in connection with or relating to this transaction including cost of investigation title, searches, travelling allowances, drafting, stamping and registration of the documents. For the aforesaid purpose, the Borrower shall deposit with the **BANK**, on account, such amount and within such period as may be required by **BANK**.

5.13 **SET OFF**

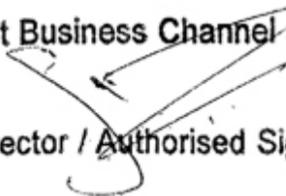
The Borrower authorises the **BANK** to apply any credit balance and / or any amount and/or security to which the Borrower is entitled on any account of the Borrower with the Bank in satisfaction of any sum due and payable from the Borrower in respect of the aforesaid facility or any other facility granted by the **BANK** to the Borrower.

ARTICLE VI

6.1 **REMEDIES:**

If one or more of the events specified in this Article (hereinafter called 'events of defaults') shall have happened for any reason whatsoever (and whether such occurrence shall be voluntary or involuntary or come about or be effected by the operation of law or pursuant to or in compliance with any judgment, decree, or order of any court, tribunal or other authority) then the **BANK** by a notice in writing to the Borrower, may declare the principal, and all accrued interest on the Loan, to be due and payable forthwith and the security created in terms of Article II hereof shall become enforceable and the **BANK** shall have the following rights (anything in this Agreement to the contrary notwithstanding) in addition to the rights and remedies available in the law to the **BANK** namely:

- (i) To stop further disbursements from the loan and to cancel the undisbursed portion of the loan.

For Bharat Business Channel Limited

Director / Authorised Signatory

AND

- (ii) To withdraw all concessions in rates of interest, charges and fees etc, and charge interest, commission and fees at: normal rates and penal rates

AND

- (iii) To enter upon and take possession of the immovable properties and all assets of the Borrower as described in **FOURTH SCHEDULE** hereto; and enforce its rights under Security documents.

AND

- (iv) To transfer the said immovable properties and assets together with the buildings constructed by the Borrower on the said immovable properties and Assets more particularly described in **FOURTH SCHEDULE** hereto by way of lease or leave and license or sale.

AND

- (v) The **BANK** shall be entitled to without prejudice to the other rights and remedies available to the **BANK** under this agreement and in law, to invoke Securitization Act 2002, Arbitration Act 1996, Proceedings under DRT or any other recourse available to the **BANK** in law at the sole discretion in addition to the authority the **BANK** have been authorized by the Borrower herein to recover the outstanding with all charges etc.

AND

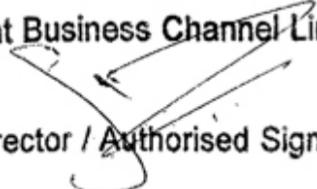
- (vi) to disclose the name of the Borrower and its Directors to Reserve Bank of India and to publish the name of the Borrower/Directors in such manner and through such media as deemed fit by the **BANK/RBI**,

AND

- (vii) The decision of the Bank whether an event of default has happened shall be conclusive and binding on the Borrower.

AND

- (viii) The Borrower undertakes that upon the Borrower's loan account being identified as "**Willful Defaulters**" as per guidelines of Reserve Bank of India/the Bank, the Borrower will be debarred from availing credit facilities from the Bank and from floating any new ventures for a period of 5 years from the date the name of the Borrower is disseminated from the list of willful defaulter by RBI. The Borrower further agrees that in the event of any wrong/false information submitted, the Bank may consider appropriate civil/criminal legal proceedings as the Bank may feel fit and necessary,

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EVENTS OF DEFAULT

The following events shall constitute events of default:

(a) **DEFAULT IN COMPLIANCE OF TERMS AND CONDITIONS OF SANCTION:**

Borrower has defaulted in compliance with any of the terms and conditions of sanction letter.

(b) **DEFAULT IN PAYMENT OF PRINCIPAL SUM OF THE LOAN:**

Default has occurred in the payment of principal as and when the same has become due and payable then and in that event the entire amount due and payable together with interest, penal interest and other charges under the said Facility shall forthwith become due and payable.

(c) **DEFAULT IN PAYMENT OF INTEREST:**

Default has been committed by the Borrower in payment of any installment of interest on the Loan and such default shall have continued for a period of 30 days.

(d) **ARREARS OF INTEREST:**

Interest amounting to at least Rs. 500/- has been in arrears and unpaid for 30 days after becoming due.

(e) **DEFAULT IN PERFORMANCE OF COVENANTS AND CONDITIONS:**

If the Borrower commits a breach of any covenant, conditions, term, warranty or representation under this Agreement or any other agreement between the Borrower and BANK the agreement entered into between the Borrower with any other financial institution or Bank Project documents/Agreement and such default has continued for a period of 30 days after notice in writing thereof shall have been given to the Borrower by the **BANK**.

For Bharat Business Channel Limited

Director / Authorised Signatory

(f) **SUPPLY OF MISLEADING INFORMATION**

Any information given by the Borrower in its loan application to BANK for financial assistance, in the Reports and other information furnished by the Borrower in accordance with the Reporting System by the Borrower and the warranties given by the Borrower to the **BANK** has been found to be misleading or incorrect in any material respect.

(g) **INABILITY TO PAY DEBTS:**

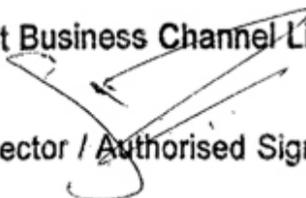
If there is reasonable apprehension that the Borrower is unable to pay its debts or proceedings for taking it into liquidation either voluntarily or compulsorily may be or have been commenced in respect thereof.

(h) **INADEQUATE INSURANCE:**

If the said immovable properties and assets offered or to be offered as security to BANK for the Loan have not been insured and kept insured by the Borrower or depreciate in value to such an extent that in the opinion of **BANK** further security to the satisfaction of **BANK** should be given and on advising the Borrower to that effect such security has not been given to **BANK**.

(i) **PROCEEDINGS AGAINST BORROWER:**

The Borrower voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency Law or the Borrower is voluntarily or involuntarily dissolved.

For Bharat Business Channel Limited

Director / Authorised Signatory

(j) **INABILITY TO PAY DEBTS ON MATURITY:**

The Borrower is unable or has admitted in writing its inability to pay its debts as they mature.

(k) **LIQUIDATION OR DISSOLUTION OF BORROWER:**

The Borrower has taken or suffered any action to be taken for its re- organisation, liquidation or dissolution.

(l) **APPOINTMENT OF RECEIVER OR LIQUIDATOR:**

A receiver or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Borrower.

(m) **ATTACHMENT OR DISTRAINT ON MORTGAGED /HYPOTHECATED PROPERTIES/ ASSETS:**

If an attachment or distraint has been levied on any properties and assets of the Borrower or any pari thereof or certificate proceedings have been taken or commenced for recovery any dues from the Borrower.

(n) **ARRANGEMENT WITH CREDITORS:**

If the Borrower convenes a meeting of its creditors or proposes or makes any arrangement or composition with, or any assignment for the benefit of, its creditors.

(o) **INVALIDITY/UNENFORCEABILITY OF THE DOCUMENTS:**

Termination/invalidity or unenforceability or illegality of any of the Borrowing/Security Documents executed by the Borrower in favour of the Director / Authorised Signatory Bank for the Loan including failure of any Security to be valid/perfected Security or other documents/Agreements relating to the Borrower's Project.

For Bharat Business Channel Limited

Director / Authorised Signatory

(p) **NATIONALISATION OR EXPROPRIATION:**

Nationalization or Expropriation etc. of the Borrower's Assets or Operations.

(q) **MATERIAL ADVERSE CHANGE:**

Occurrence of any material adverse change in the Project or the Borrower's Operations.

(r) **CHANGE OF LAW:**

Change of Law which has any material adverse effect on the Borrower's Project or operations.

(s) **ABANDONMENT OF PROJECT:**

Abandonment of the Project by the Borrower at any time or at any stage for any reasons.

(t) **JUDGMENTS:**

Judgments of any courts or Tribunals or any other Judicial or Quasi judicial body against the Borrower or any other relevant parties.

(u) **EXTRA-ORDINARY CIRCUMSTANCES:**

If extra ordinary circumstances have occurred which make it improbable in the sole opinion of BANK for the said project to be carried out and for the Borrower to fulfill its obligation under this Agreement.

For Bharat Business Channel Limited

Director / Authorised Signatory

6.2 **NOTICE TO THE BANK ON THE HAPPENING OF AN EVENT OF DEFAULT:**

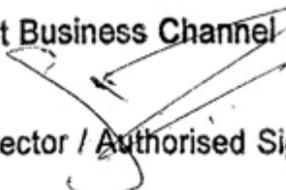
If any event of default or any event which, after the notice, or lapse of time, or both would constitute an event of default has happened, the Borrower shall forthwith give BANK notice thereof in writing specifying the nature of such event of default or of such event.

6.3 **EXPENSES OF PRESERVATION OF MORTGAGED/HYPOTHECATED ASSETS OF THE BORROWER:**

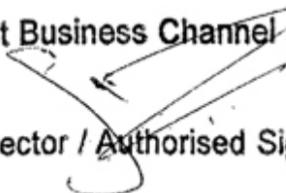
All expenses incurred by BANK after an event of default has occurred in connection with (i) preservation of the Borrower's said immoveable properties and assets (whether then or thereafter existing) and (ii) collection of amounts due under this Agreement shall carry interest at the same rate as provided in the First Schedule hereof with monthly / quarterly or yearly rests from the date of incurring such expenditure and all such expenditure together with the interest, shall be debited to the Borrower's loan account and shall stand secured under the security in terms of Article III hereof

6.4 **ATTORNEY OF THE BORROWER:**

- (i) For all or any of the purposes aforesaid, the Borrower irrevocably constitutes and appoints the Bank to be the Borrower's true and lawful attorney to do and execute for and in the name and on behalf of the Borrower, all or any of the following acts, deeds and things, that is to say;
 - (a) To take over and carry on the business of the Borrower and complete any engagements and contracts;
 - (b) To sign register, file any application forms, contracts, agreements, transfers, acceptance, receipts, acquaintances, returns and any other documents and to sign and endorse all cheques, promissory notes, bills of exchange, bills of lading, dividend mandates or other orders for payment of money or delivery of property;
 - (c) To sell, transfer, assign or deal with any goods and other movables;

For Bharat Business Channel Limited

Director / Authorised Signatory

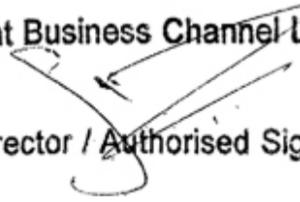
- (d) To demand and receive all debts, sums of money, principal money, dividends, interest and dues of whatever nature;
- (e) To appoint selling agents and if necessary to undertake new kind of activity;
- (f) To realise all the assets whether movable or immovable including the goodwill of the business;
- (g) If considered proper, to wind up the Borrower's business;
- (h) To tender contract for purchase, accept and sign the transfer into the name of the Borrower of any securities, shares, stocks, debentures, funds or any other securities, to apply for and accept allotment of any shares and securities and to sell, endorse, negotiate, transfer and assign any securities which do now or shall hereafter stand in the name of the Borrower or to which the Borrower is now or may at any time hereafter be entitled to demand, receive and collect interest and dividend due or to accrue due on any such securities, shares, stocks, debentures, funds and other securities and apply the proceeds of such sale, endorsement transfer, negotiation and assignment and the recovery of any interest and dividend in satisfaction of any monies due by the Borrower to the BANK and to endorse and transfer all or any such securities, shares, stocks, debentures, funds and other securities which may from time to time or at any time be in the possession of the BANK whether for safe custody or otherwise or held by the BANK as security for any money payable to the said. Bank by the Borrower in respect of any account or general balance of account or otherwise;
- (i) To appoint a proxy or proxies for the purpose of representing the Borrower and voting in meeting or meetings of any Company or Corporation in which the Borrower holds any shares, debentures, stocks, etc.

For Bharat Business Channel Limited

Director / Authorised Signatory

- (j) To deal with the assessment of the Borrower in respect of income tax, super tax, wealth tax, gift tax, expenditure tax, capital gains tax and any other taxes on income, revenue or capital and levy of customs and/or excise duties and to apply for and to receive refunds of any such tax or taxes or levy or levies;
- (k) To attend and represent the Borrower before any authority or tribunal and for that purpose to sign execute and deliver all such documents and make all such declarations as may be necessary;
- (l) Generally to act in the premises as fully and effectually with all intents and purposes and to do all things as are necessary and which the Borrower would do if personally present;
- (m) For all and any of the proposes, aforesaid to appoint a substitute or substitutes;
- (ii) The Borrower hereby agrees to ratify and confirm all the acts, things, deeds performed or to be performed by the Bank or their respective nominees or substitutes in pursuance of any of the aforesaid powers and the powers hereby conferred shall not be determined or affected by the fact of the Bank acting personally or through another in the premises;
- (iii) The powers vested in the Bank shall be irrevocable and subsist in favour of the Bank till all the dues of the Borrower to the BANK are fully satisfied.
- (iv) The aforesaid powers under this clause may be exercised by the Bank in its sole discretion but the exercise of the powers is not obligatory on the BANK.

6.5 **PASS RESOLUTIONS:**

The Borrower shall pass the appropriate resolutions under Section 293 and other relevant sections of the Companies Act, 1956, at the General Meeting of the Borrower to enable BANK to exercise the rights vested upon the BANK in Article VIII and in the other Articles hereof.

For Bharat Business Channel Limited

Director / Authorised Signatory

ARTICLE VII

WAIVER

7.1 WAIVER NOT TO IMPAIR THE RIGHTS OF THE BANK:

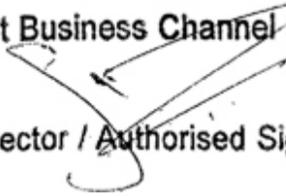
The rights of **BANK** under this Agreement are cumulative, may be exercised as often as they consider appropriate and are in addition to rights under general law. The rights of **BANK** in relation to Loan (whether arising under this Agreement or under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing; and in particular any failure to exercise or any delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right; any defective or partial exercise shall not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any of such rights shall not preclude any other or further exercise of that or any other such right; and no act or course of conduct or negotiation on its part or on its behalf shall in any way preclude it from exercising any such right or constitute a suspension or any variation of any such right or shall not relieve or absolute the Borrower of its obligations.

ARTICLE VIII

EFFECTIVE DATE OF AGREEMENT

8.1 AGREEMENT TO BECOME EFFECTIVE FROM THE DATE OF EXECUTION:

This Agreement shall become binding on the Borrower and **BANK** on and from the date of this Agreement first above written. It shall be in force till all the monies due and payable under this Agreement to **the BANK** are fully paid and the Borrower is discharged and released in writing by the **BANK**.

For Bharat Business Channel Limited

Director / Authorised Signatory

ARTICLE IX

MISCELLANEOUS

9.1 **ANNUAL REVIEW:**

The loan shall be reviewed by the Bank on annual basis and the Borrower undertakes to pay Bank's annual review fees as and when due and payable

9.2 **PLACE AND MODE OF PAYMENT BY THE BORROWER:**

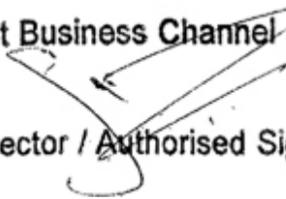
All monies due and payable by the Borrower to **BANK** under or in terms of this Agreement shall be paid at Mumbai, by cheque or bank draft drawn in favour of THE BANK and shall be so paid as to enable the **BANK** to realize at par the amount sought to be paid on or before the due date to which the payment relates. Credit for all payments by cheque/bank draft will be given only on realization thereof by THE **BANK** or on the due dates to which the payment relates whichever is later.

9.7 **SERVICE OF NOTICE:**

Any notice or request required or permitted to be given or made under this Agreement to **BANK** or to the Borrower shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail, telegram, telex or fax to the party to which it is required or permitted to be given or made at such Party's address specified hereinabove or at such other address as such party shall have designated by Notice to the party giving such notice or making such request.

9.8 **ASSIGNMENT:**

It is expressly agreed that **BANK** shall be at liberty to assign the benefit of these presents without the consent of the Borrower and the Borrower irrevocably consent to the same. The Borrower undertakes as and when called upon by the **BANK** to execute and/or join in execution of the documents or assurances as the **BANK** may require for effectuation of such assignment.

For Bharat Business Channel Limited

Director / Authorised Signatory

ARTICLE X

CONDITIONAL APPROVALS

10.1 APPROVALS MAY BE GIVEN CONDITIONALLY

Any approval, consent or permission required to be given hereunder or under any other agreement by **BANK** to the Borrower may be given unconditionally or may be given subject to such condition as **BANK** deem fit, and in the latter event, the Borrower undertakes to abide by and comply with all the conditions which may be imposed by **BANK** without any objection, conditions or dispute.

ARTICLE XI

INCREASED COSTS

11.1 COSTS INCURRED BY BANK DUE TO ANY LAW Etc.:

The Borrower shall reimburse to **BANK** on demand for all costs incurred and reductions in amounts received or receivable, as determined by **BANK** which are attributable to the Loan or any part of it or to the performance by the **BANK** of its obligations under this Agreement and which occur by reason of the promulgation of any law, regulation or treaty or any change therein or in the interpretation thereof or by reason of compliance by the **BANK** with any direction, requirement or request (whether or not having the force of law) of any Governmental authority, including without limitation any such **COSTS** or reduction resulting from:

- (a) The imposition or amendment of any tax or

For Bharat Business Channel Limited

Director / Authorised Signatory

- (b) The imposition or amendment of any reserve, special deposit or similar requirements against the assets of, liabilities of, deposits with or for the account of, or Loans by the **BANK**.

ARTICLE XII

INDEMNITY

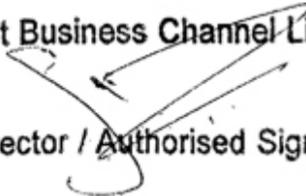
12.1 **BORROWER TO INDEMNIFY BANK:**

The Borrower shall fully indemnify **BANK** from and against any expenses, loss, damage or liability (as to the amount of which the certificate of the **BANK** shall, in the absence of manifest error, be conclusive) which it may incur as a consequence of the occurrence of any Event of Default, of any failure to borrow in accordance with a Notice of Drawing or of any prepayment under this Agreement or otherwise in connection with this Agreement without prejudice to its generality, the foregoing indemnity shall extend to any interest, fees or other sums whatsoever paid or payable on account of any funds borrowed in order to carry any unpaid amount and to any loss (including loss of profit), premium, penalty or expense which may be incurred in liquidating or employing deposits from third parties acquired to make, maintain or fund the Loan (or any part of it) or any other amount due or to become due under this Agreement.

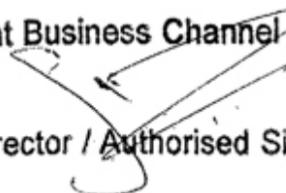
ARTICLE XIII

DISCLOSURES

- 13.1 The Borrower authorizes the **BANK** to issue mandate/direction to the Borrower's auditor to certify non-diversion/siphoning of funds out of loans facilities availed by the Borrower's. Borrower also authorizes the **BANK** to issue mandate/directions to Borrower's auditors also to certify extent/amount of diversion/siphoning of funds out of loan facilities availed by the Borrower. The Borrower undertakes to authorize the Borrowers' auditors to provide such certificate as required by **BANK** at Borrower's cost.

For Bharat Business Channel Limited

Director / Authorised Signatory

- 13.2 The Borrower agrees not to induct on the Board of the Borrower a person, who has been identified as "**Willful Defaulter**" as per definition given as per RBI directives/guidelines or Bank's guidelines as Director on the Board of Borrower. If any Director who is willful defaulter as per definition above referred is on the Board of the Borrower or becomes so while being Director on the Board of the Borrower, the Borrower undertakes to get him removed from the Board of the Borrower. The Borrower agrees to make necessary amendments in Articles of Association of Borrower to make the above requirement as ground for removal of Directors and furnish a copy of Articles of Association as amended to the **BANK**.
- 13.3 It is agreed by and between the parties that in the event of the Borrower committing any default in repayment of loan or in the repayment of interest thereon or any of the agreed installments of the loan on due date, to **BANK** and/or Reserve Bank of India will have an unqualified right to disclose to publish the name of the Borrower and its Directors as defaulters in such manner and through such medium as **BANK** or Reserve Bank of India in their absolute desecration may think fit.
- 13.4 The Borrower understand that as a pre-condition, relating to grant of the said Term Loan, **BANK** requires the consent of the Borrower for disclosure by the **BANK**, information and data relating to the Borrower of the said Term Loan availed by the Borrower, obligations assumed by the Borrower, in relation thereto and default, if any, committed by the Borrower in discharge thereof.
- 13.5 The Borrower accordingly, hereby agrees and gives consent for the disclosure by **BANK** of all or any such:
- (a) information and data relating to the Borrower
 - (b) the information or data relating to any Facility availed or to be availed, by the Borrower and
 - (c) default, if any, committed by the Borrower in discharge of any obligation,

For Bharat Business Channel Limited

Director / Authorised Signatory

13.6 **BANK** may deem appropriate and necessary, to disclose and furnish to Credit Information Bureau (India) Limited and any other Agency Authorized in this behalf of by Reserve Bank of India.

The Borrower further declares that the information, and data furnished to BANK are true and correct.

13.7 The Borrower further undertake:

- (a) the Credit Information Bureau (India) Limited and any other Agency so authorised may use, process the said information and data disclosed by BANK in the manner as deemed fit by them.
- (b) the Credit Information Bureau (India) Limited and any other agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them to the Bank/ Financial Institution and other credit: grantors or registered users, as maybe specified by the Reserve Bank of India.

13.8 This Agreement shall be governed by and construed in all respect with the Indian laws and the parties hereto agree that any matter or issues arising hereunder or any dispute hereunder shall at the option /discretion of the banks be subject to the non-exclusive jurisdiction of the Courts of the city of Mumbai in India. This shall not however limit the rights of the Banks to take proceedings in any other court of Competent jurisdiction

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FIRST SCHEDULE

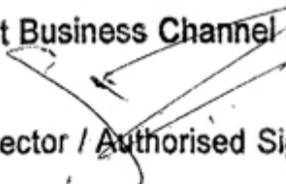
RATE OF INTEREST.

RATE OF INTEREST

Base Rate of the Bank + 3% i.e. 13.25% per annum at present (floating) at present payable/ compounded at monthly rests.

Interest rate shall be reset (including margin / spread) on Completion of One Year from the date of first disbursement and every year thereafter.

The Bank hereby reserves its rights to revise the base rate/spread/interest rate as specified above from time to time in accordance with directives of Reserve Bank of India or policy guidelines of the Bank including norms relating to provisioning for Loan Assets and/or Risk weightage assigned to the Loan.

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SECOND SCHEDULE

(REPAYMENT TERMS)

(AMORTISATION SCHEDULE)

The company shall repay the principal amount of the RTL in 24 unequal quarterly installments commencing after 2¹/₄ years from the date of first disbursement as under:

No. of installment	Date of repayment	Amount of installment	Loan outstanding after repayment of installment
1	April 1, 2015	1,25,00,000.00	98,75,00,000.00
2	July 1, 2015	1,25,00,000.00	97,50,00,000.00
3	October 1, 2015	1,25,00,000.00	96,25,00,000.00
4	January 1, 2016	1,25,00,000.00	95,00,00,000.00
5	April 1, 2016	1,87,50,000.00	93,12,50,000.00
6	July 1, 2016	1,87,50,000.00	91,25,00,000.00
7	October 1, 2016	1,87,50,000.00	89,37,50,000.00
8	January 1, 2017	1,87,50,000.00	87,50,00,000.00
9	April 1, 2017	3,75,00,000.00	83,75,00,000.00
10	July 1, 2017	3,75,00,000.00	80,00,00,000.00
11	October 1, 2017	3,75,00,000.00	76,25,00,000.00
12	January 1, 2018	3,75,00,000.00	72,50,00,000.00
13	April 1, 2018	5,00,00,000.00	67,50,00,000.00
14	July 1, 2018	5,00,00,000.00	62,50,00,000.00
15	October 1, 2018	5,00,00,000.00	57,50,00,000.00
16	January 1, 2019	5,00,00,000.00	52,50,00,000.00
17	April 1, 2019	6,25,00,000.00	46,25,00,000.00
18	July 1, 2019	6,25,00,000.00	40,00,00,000.00
19	October 1, 2019	6,25,00,000.00	33,75,00,000.00
20	January 1, 2020	6,25,00,000.00	27,50,00,000.00
21	April 1, 2020	6,87,50,000.00	20,62,50,000.00
22	July 1, 2020	6,87,50,000.00	13,75,00,000.00
23	October 1, 2020	6,87,50,000.00	6,87,50,000.00
24	January 1, 2021	6,87,50,000.00	NIL

The Bank reserves rights at its Sole and absolute discretion to revise repayment schedule described hereinabove with compulsory acceleration in case of higher sales realizations from time to time (though not be bound to do so).

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THIRD SCHEDULE
(Details of Costs of Project and means of Financing)

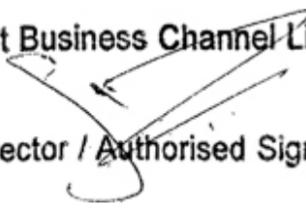
			(Rs. In Crore)
Cost of Project	Rs. 2410.69	Total Debt	1200.00*
T/L from our Bank	Rs. 100.00	DE Ratio	1.90:1**
		IRR	13.31
Margin (excluding internal accruals)	26.13%*	Proposed Share	8.33%
Maximum DSCR	3.07		
Minimum DSCR	1.47	Avg DSCR	2.34

* Out of Total Debt of Rs. 1200.00 Crore, Share of Central Bank: of India Rs. 100.00 Crore

** The Means of Finance for the Project includes Equity (IPO), Internal Accruals and change in net current assets (Advances from subscribers),

Financing Plan

3 year business plan financing of Rs.2411 crore, to be financed by way of Rupee Term Loan of Rs 1200 crore (Rs.750 crore in FY 2013, Rs.400 cr in FY 2014 and Rs.50 crore in FY 2015), Rs.630 crore in the form of equity capital through IPO and Rs.581 crore in the form of internal accruals & decrease in net current: assets of the Company.

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Director / Authorised Signatory

FOURTH SHCDULE

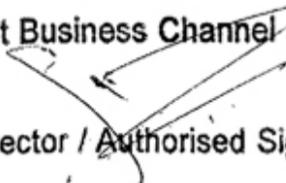
(Description of movable /immoveable properties and Fixed Assets)

The whole of the movable properties of the Borrower including its movable plant and machinery, machinery spares, tools and accessories and movables, both present and future whether installed or not and whether now lying loose or in cases or which are now lying or stored in or about or shall hereafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about all the Borrower's offices, premises, factories and godowns or wherever else the same may be or be held by any party to the order or disposition of the Borrower or in the course of transit or on high seas or on order, or delivery, howsoever and wheresoever in the possession of the Borrower and either by way of substitution or addition together with all the receivables of the Borrower

- First Charge on the Escrow Account
 - Assignment of all Government Authorisation, Licenses, Contracts relating to transponder capacity etc.
 - Assignment of all Insurance Policies of the borrower on paripassu basis
 - Assignment of DTH license, on pari passu basis with existing term lenders

AND

DSRA for 1 quarter's debt service payment (Principal + Interest) to be created latest by January 1, 2015

For Bharat Business Channel Limited

Director / Authorised Signatory

IN WITNESS WHEREOF the Borrower has caused its Common Seal to be hereunto affixed and **BANK** has caused the authorized signatory to affix his hand hereto the day and year first: hereinabove written.

SIGNED, SEALED AND DELIVERED by the within named
M/s Bharat Business Channel Ltd,
by the hand of Mr. S.Murukan, Authorised Signatory (POA Holder)
authorised to sign under Board Resolution dated 13.02.2013

The Common Seal of

For Bharat Business Channel Limited

Director / Authorised Signatory

M/S. Bharat Business Channel Limited
has been hereunto affixed pursuant to
the resolution of its Board of Directors
passed at the Meeting held on 13.02.2013
in the presence of Mr. S.Murukan
Authorised Signatory (POA Holder)

SIGNED AND DELIVERED for and on behalf of
CENTRAL BANK OF INDIA
by the hand of Shri N.B.Bajpal its Senior Manager

कृते सेन्ट्रल बैंक ऑफ इंडिया
For CENTRAL BANK OF INDIA
कॉर्पोरेट विल शाखा, मुंबई
C.F.B. Nariman Point, Mumbai

वरिष्ठ प्रबंधक / Senior Manager

DATED THIS DAY OF 25.02.2013

BETWEEN

M/S. BHARAT BUSINESS CHANNEL LIMITED

AND

CENTRAL BANK OF INDIA

TERM LOAN AGREEMENT

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[\(Back To Top\)](#)

Section 14: EX-10.8 (EXHIBIT 10.8)

Exhibit 10.8

INDIA NON JUDICIAL
Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL78687595994932L
Certificate Issued Date	: 21-Oct-2013 11:39 AM
Account Reference	: IMPACC (IV)/ dl889403/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL88940355423008774588L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article Others
Property Description	: NA
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: OTHERS
Stamp Duty Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 200 (Two Hundred only)

Please write or type below this line.....

This Stamp Paper forms an integral part of Loan Agreement of Bharat Business Channel Limited for Rupee term loan of Rs.300 crores executed at New Delhi on January 7, 2014 in favour of IDBI Bank Limited.

Nana

Statutory Alert:
1. The authenticity of this Stamp Certificate should be verified on "www.shetastamp.com". Any discrepancy in the details on this stamp certificate should be reported to the Registrar of Stamps, Government of National Capital Territory of Delhi, New Delhi.

LOAN AGREEMENT

BETWEEN

BHARAT BUSINESS CHANNEL LIMITED

AS BORROWER

AND

IDBI BANK LIMITED

AS LENDER

LOAN AGREEMENT

THIS AGREEMENT made at New Delhi this 7th day of January Two thousand and fourteen

BETWEEN

BHARAT BUSINESS CHANNEL LIMITED, a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its Registered Office at Auto Card Compound, Adalat Road, Aurangabad - 431 005 (hereinafter referred to as "the Borrower" which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors and permitted assigns);

AND

IDBI BANK LIMITED, a company incorporated and registered under Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5 (c) of the Banking Regulation Act, 1949 (10 of 1949) and having its Registered Office at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai — 400 005 and a Branch Office at Indian Red Cross Building, 1 Red Cross Road, New Delhi - 110 001 (hereinafter referred to as "the Lender" which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors and assigns).

ARTICLE I

THE LOAN

1.1 Amount and terms of the Loan

The Borrower agrees to borrow from the Lender and the Lender agrees to lend and advance to the Borrower a loan of Rs. 300 crore (Rupees Three Hundred Crore only) (RTL) (hereinafter referred to as "the Loan") for the purpose of meeting the funding requirement during the Business Plan period (i) Subscriber acquisition cost i.e. the cost of consumer premises equipments (CPE) (consisting of Set Top Box, Outdoor Unit and Smart Card) (ii) Cost of CPE inventory build-up and (iii) Other general capital expenditure and on the terms and conditions contained herein and in the Sanction Letter Ref No.IDBI/ICG(W)/BBCL/1260 dated January 3, 2014 (and as modified vide letter No. IDBI/ICG(W)/BBCL/1261 dated January 3, 2014) and the same shall be construed as forming integral part of this Agreement and is annexed hereto.

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1.2 Interest

(i) The Borrower shall pay to the Lender interest on the principal amount of the Loan outstanding from time to time and all other monies from the date of disbursement of the Loan which shall accrue under the provisions of this Agreement commencing from the first day of succeeding month of first disbursement of the Loan and thereafter on first of every month at the rate of IDBI Bank's Base Rate (BBR) plus 350 bps [Spread], fully floating i.e. the interest rate would automatically change with every change in IDBI BBR [The present effective rate is 13.75% p.a., with prevailing BBR of 10.25%].

The interest as above, shall be payable by the Borrower in arrears, on the 1st of each month (each an Interest Payment Date). Such interest shall become payable from the first Interest Payment Date falling immediately after the date of first disbursement of the RTL by IDBI Bank.

(hereinafter also referred to as the Applicable Interest Rate). The interest on the Loan will accrue from the date of disbursement.

(ii) Interest and all other charges shall accrue from day to day and shall be computed on the basis of 365 days' a year in the case of RTL and 360 days' a year in the case of FCL and the actual number of days elapsed.

(iv) Disbursements made pending creation of final security as stipulated in Article II hereof shall carry further interest at the rate of 1% per annum till creation of such security(hereinafter referred to as "additional interest')

Provided that if final security is created - by March 31, 2014, no additional interest will be charged for any disbursement made during this period.

Provided further that if the final security is not created within the above period, then the Borrower shall pay the additional interest from the date of first disbursement.

1.3 Processing Fee

The Borrower shall pay to the Lender non-refundable processing fee @ 0.25 % plus applicable taxes on the sanctioned amount.

1.4 Last Date Of Drawal

Unless the Lender otherwise agrees, the right to make drawls from the Loan shall cease on December 31, 2014

1.5 Repayment

(i) The Borrower undertakes to repay the principal amount of the Loan in accordance with the Amortization Schedule as set forth in Schedule or as advised and pay the interest, additional interest, further interest, liquidated damages, fees and other charges as stipulated in this Agreement.

(ii) The Lender may, wherever warranted, revise, vary or postpone the repayment of the principal amounts of the Loan or the balance outstanding for the time being or any instalment(s) of the said principal amounts of the Loan or any part thereof by giving prior notice to the Borrower on such terms and conditions as may be decided by it and the Borrower shall be deemed to have consented to the same.

(iii) In the event of any default in the payment of instalments of principal, any interest and liquidated damages, postponement, if any, allowed by the Lender shall be at the rate of interest as may be stipulated by the Lender at the time of postponement and the Borrower shall be deemed to have consented to the same.

(iv) If, for any reason, the amount finally disbursed by the Lender out of the Loan is less than the amount of the Loan, the number of instalment(s) of repayment of the Loan shall stand reduced accordingly and be payable as per the revised Amortisation Schedule advised by the Lender and the Borrower shall be deemed to have consented to the same.

1.4 Appropriation of payments

Unless otherwise agreed to by the Lender, any payments due and payable under this Agreement and made by the Borrower shall be appropriated towards such dues in the following order, viz.:

- i) Interest on costs, charges, expenses and other monies;
- ii) Costs, charges, expenses and other monies;
- iii) Further interest and liquidated damages on defaulted amounts;
- iv) Interest including additional interest, payable in terms of this Agreement;
- v) Premium on prepayment
- vi) Repayment of principal/ instalments of principal due and payable under this Agreement.

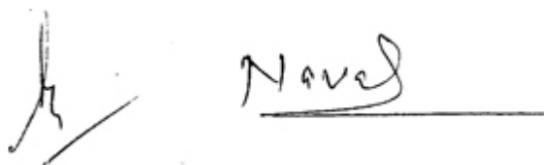
1.5 Place and mode of payment by the Borrower

All the monies payable by the Borrower to the Lender shall be paid at any of the branch offices of the Lender. Credit for payment will be given on realization of the amount by the Lender or the relative due date, whichever is later.

1.6 Premature repayment

Any prepayment of the term loan will be subject to payment of prepayment premium @ 2% p.a. of the pre-paid principal. Provided that no pre-payment premium would be payable to IDBI, if

- the interest spread is increased on interest reset dates and the same is not acceptable to the company, the company shall have the option to prepay the outstanding debt within 90 days of receipt of interest reset advice from IDBI.
- the prepayment is at the instance of IDBI.



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1.7 Due date of payment

If the due date in respect of any instalment of principal, interest and liquidated damages and all other monies payable under this Agreement falls on a day which is a bank holiday at the place where the payment is to be made, the immediately preceding working day shall be the due date for such payment.

1.8 Terms of disbursement

The obligation of the Lender to make disbursements under this Agreement shall be subject to the Borrower performing all its obligations and undertakings under this Agreement besides compliance by the Borrower with the disbursement procedure stipulated by the Lender, including submission of necessary information, documents, margin/matching contribution, tenure of Loan etc. to the satisfaction of the Lender.

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ARTICLE II

SECURITY

2.1 Security for the Loan

The Loan together with all interest, costs, expenses and other monies whatsoever stipulated in this Agreement shall be secured by: -

(i) The Rupee Term Loan, together with interest thereon, further interest, liquidated damages, costs, expenses and all other monies whatsoever, shall be secured by way of first pari passu charge on,

- all movable/immovable asset of the company (both present as well as future) on pari-passu charge with existing term lenders
- DSRA for 1 quarter's debt service payment (i.e. Principal + Interest)
- Assignment of DTH license, on pari-passu basis with existing term lenders

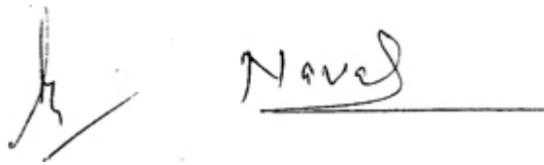
(ii) an irrevocable and unconditional joint & several personal guarantee of S/Shri V.N. Dhoot and P.N. Dhoot in favour of the Lender. No guarantee commission shall be payable by the Borrower to the guarantors.

(iii) Irrevocable and unconditional corporate guarantee of Solitaire Appliances Pvt Ltd., Platinum Appliances Pvt Ltd. and Greenfield Appliances Pvt Ltd in favour of the Lender. No guarantee commission shall be payable by the Borrower to the guarantors.

The charges referred point (i) above shall rank pari passu with existing term lenders:

Term Lenders	SANCTIONED
1. IDBI Bank	360
	175
	350
2. Central Bank of India	350
	100
3. Bank of Baroda	100
	200
4. ICICI Bank	200
5. Canara Bank	200
	175
6. Jammu & Kashmir	100
7. Dena Bank	100
8. Syndicate Bank	100
9. Karur Vysya Bank	50
10. Oriental Bank of India	100
11. Bank of India	50
	150
12. Union Bank of India	150
13. United Bank of India	150
14. Bank of Maharashtra	100

- 2.2 The Borrower shall make out a good and marketable title to its properties to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose including obtaining consents from the existing charge holders.
- 2.3 So long as any monies remain due and outstanding to the Lender, the Borrower undertakes to notify the Lender in writing of all its acquisitions of immovable properties.
- 2.4 If, at any time during the subsistence of this Agreement, the Lender is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the Loan then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall provide and furnish to the Lender, to its satisfaction such additional security as may be acceptable to the Lender to cover such deficiency.
- 2.5 The Borrower shall not, without prior consent of the Lender, during the currency of this Agreement, create in favour of any other person any charge(s) on the assets, which are charged/agreed to be charged in favour of the Lender pursuant to Section 2.1 hereof.



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ARTICLE II

BORROWER'S WARRANTIES AND COVENANTS

3.1 Except to the extent already disclosed in writing by the Borrower to the Lender, the Borrower shall be deemed to have assured, confirmed and undertaken as follows:

(a) Conflict with Constitutional documents

Nothing in this Agreement conflicts with any provisions of the Borrower's constitutional documents

(b) No director who is on the board of a company declared as a wilful defaulter

No director is on its Board who is also a director on the board of a willful defaulter

(c) Right to disclose the names and particulars of the Borrower and the credit facilities availed of / to be availed, by the Borrower.

(i) The Lender shall have the right to disclose the information relating to the Borrower to Credit Information Bureau (India) Limited (CIBIL) or any other similar agency, which in turn shall have the right to use the information as authorised in this behalf by RBI.

(ii) The Lender shall have the right to disclose the information and data relating to the Borrower to other agencies in the business of credit.

(iii) The Borrower hereby declares that the information and data furnished by the Borrower to the Lender are true and correct.

(d) Valid and Subsisting Licenses

(i) The Borrower duly owns or holds valid and subsisting licenses in respect of all trade names, trade marks, patents, designs and other intellectual property used or intended to be used by the Borrower in the course of its business and the same are duly registered in the name of the Borrower and have not become voidable.

(ii) The Borrower duly owns or holds all other material consents, licenses, franchises, permits and authorisations necessary for the lawful conduct, ownership and operation, of its business, and the same are valid and subsisting and have not become voidable.

(e) No Claims and liabilities other than those disclosed

The Borrower does not have any claims or liabilities including, without limitations, provident fund or labour dues, income /corporate or other taxes, duties, levies or cesses, royalties, license fees, lease rentals, interest costs, penal levies, default rates, damages, claims, penalties etc.(whether present, future or contingent) which are not expressly disclosed either :

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- (i) in the Borrower's last audited balance sheet furnished to the Lender; or
- (ii) otherwise to the Lender in writing as "off-balance sheet liabilities"; or
- (iii) in any other written communication to the Lender.

(f) Non-existence of event of default

The Borrower shall satisfy the Lender that no event of default as defined in Article V hereof and no event which, with the lapse of time or giving of notice and lapse of time as specified in Article V, would become an event of default, has happened and been continuing.

(g) Project

The Borrower shall,

(i) Project changes

Promptly notify the Lender of any proposed change in the nature or scope of the project and of any event or condition, which might materially and adversely affect or delay completion of the project or result in substantial overrun in the original estimate of costs. Any proposed change in the nature or scope of the project shall not be implemented or funds committed therefore without the prior approval of the Lender;

(ii) Contract change

Obtain concurrence of the Lender to any material modification or cancellation of the Borrower's agreements with its machinery suppliers, collaborators, technical consultants and suppliers of raw materials;

(iii) Delay in completing the project

Promptly inform the Lender of the circumstances and conditions, which are likely to disable the Borrower from implementing the project, or which are likely to delay its completion or compel the Borrower to abandon the same.

(h) Current account

The Borrower shall open a current account with the Lender and all disbursement of the Loan shall ordinarily be routed through the said account

(i) Utilisation of the Loan

The Borrower shall furnish to the Lender:

- (a) (i) at the end of each month following the month in which the Loan is disbursed, a statement duly certified by statutory auditor/ Chartered Accountant, certifying the manner in which the said monies have been utilised.

(ii) information and statements relating to its business, utilisation of the Loan its assets and other information relating to the group/subsidiaries as may be required from time to time, including duly audited annual account.

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- (b) The Loan shall not be utilised for any purpose other than for which it is sanctioned and, in particular (including but not limited to), it shall not be utilised for any of the following purposes:
- i) subscription to or purchase of shares/debentures and investment in real estate;
 - ii) repayment of dues of promoters/associate concerns/intercorporate deposits, etc;
 - iii) for extending loans/facilities to subsidiary or associate companies or for making any inter-corporate deposits, and
 - iv) for any speculative purposes.

3.2 General covenants

A) Unless otherwise agreed to by the Lender, the Borrower shall,

(i) Notice of winding up or other legal process

Promptly inform the Lender regarding any litigation against the Borrower, any of its properties or business or undertaking or if a Receiver is appointed of any of its properties or business or undertaking;

(ii) Adverse changes in profits and production

Promptly inform the Lender of the happening of any labour strikes, lockouts, shutdowns, fires or any event likely to have a substantial effect on the Borrower's profits or business and of any material changes in the rate of production or sales of the Borrower with an explanation of the reasons therefor;

(iii) Insurance

- (a) keep all its assets adequately insured at all time and such of its other properties as are of an insurable nature against fire, theft, lightning, explosion, earthquake, riot, strike, civil commotion, storm, tempest, flood, marine risks, erection risks, war risks, and such other risks as may be specified by the Lender and shall duly pay all premia and other sums payable for that purpose. The insurance in respect of the properties charged/to be charged to the Lender shall be taken in the joint names of the Borrower and the Lender and any other person or institution having an insurable interest in the properties of the Borrower and acceptable to the Lender. The Borrower shall keep deposited with the Lender the insurance policies and renewals thereof;
- (b) agree that, in the event of failure on the part of the Borrower to insure the assets or to pay the insurance premia or other sums referred to above, the Lender may get the assets insured or pay the insurance premia and other sums referred to above, as the case may be,
- (c) agree that the Lender shall have sole discretion to appropriate the proceeds, if any received from the insurance company in satisfaction of the Loan / the Facility,
- (d) agree that it shall furnish certificate from an auditor, acceptable to the Lender, certifying the adequacy of insurance taken by it,
- (e) agree that it shall inform the Lender of the happening of any of the events specified in sub clause (a) above and the loss Borrower may suffer due to any of the aforesaid events for which the assets are insured.

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(iv) Imposts, costs, charges and expenses

During the currency of the Loan bear all such impost, duties and taxes (including interest and other taxes, if any) as may be levied from time to time by the Government or other authority with the sanction of law pertaining to or in respect of the Loan,

- (a) pay all other costs, charges and expenses in any way incurred by the Lenders (including costs of investigation of title and protection of Lender's interest) and such additional stamp duty, other duties, taxes, charges and other penalties if and when the Borrower is required to pay according to the laws for the time being in force in the State in which its properties are situated or otherwise;
- (b) agree that in the event of the Borrower failing to pay the monies referred to in sub-clause (a) the Lender will be at liberty (but shall not be obliged) to pay the same. The Borrower shall reimburse all sums paid by the Lender in accordance with the provisions contained in this Agreement.
- (c) (i) The Borrower shall reimburse all sums paid by the Lender under the provisions of this Agreement within 30 days from the date of notice of demand from the Lender. All such sums shall be debited to the Borrower's Loan Account and shall carry interest from the date of payment till such reimbursement at the maximum Applicable Lending Rate (in the case of rupee loans). In the case of foreign currency loans such interest shall be paid at 3.5% above the then prevailing Bank's Prime Lending Rate.
(ii) In case of default in making such reimbursement within 30 days from the date of notice of demand, the Borrower shall also pay on the defaulted amounts, liquidated damages at the rate of 2% per annum from the expiry of 30 days from the date of notice of demand till reimbursement.
(iii) The Borrower hereby authorise the Lender to debit its current account with the Lender to the extent of expenditure incurred under this Agreement.

(v) Annual accounts

Submit to the Lender its duly audited annual accounts within six months from the close of its accounting year. In case statutory audit (if required) is not likely to be completed during this period, the Borrower shall get its accounts audited by an independent firm of Chartered Accountants and furnish the same to the Lender;

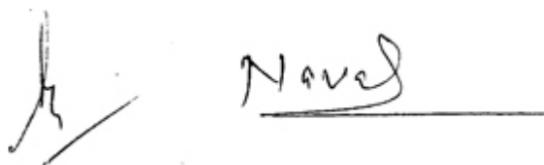
(vi) Memorandum and Articles of Association

Carry out such alterations to its Memorandum and Articles of Association as may be deemed necessary in the opinion of the Lender to safeguard the interests of the Lender arising out of this Agreement;

B) Without the prior written approval of the Lender, the Borrower shall not,

(i) New project

Undertake any new project, diversification, modernisation or substantial expansion of the project described in this Agreement. The word "substantial" shall have the same meaning as under the Industries (Development and Regulation) Act, 1951.



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(ii) Loans, debentures and charges

Issue any debentures, raise any loans, accept deposits from public, issue equity or preference capital, change its capital structure or create any charge on its assets or give any guarantees. This provision shall not apply to normal trade guarantees or temporary loans and advances granted to staff or contractors or suppliers in the ordinary course of business or raising of unsecured loans, overdrafts, cash credit or other facilities from banks in the ordinary course of business.

(iii) Premature Repayment

Prepay any loan availed by it from any other party for the project without prior written approval of the Lender, which may be granted subject to such conditions as may be stipulated by the Lender.

(iv) Commission

Pay any commission to its promoters, directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower for the purpose of the project.

(v) Subsidiaries

Create any subsidiary or permit any company to become its subsidiary.

(vi) Merger, Consolidation, Etc.

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(vii) Dividend

Declare or pay dividend to its shareholders so long as the Borrower is in default to the Lender under this Agreement and is not in compliance with stipulated financial covenants.

(viii) Investments by Borrower

Make any investments by way of deposits, loans or in share capital of any other concerns (including subsidiaries) beyond projected and accepted level by the Lender so long as any money remains due to the Lender; the Borrower will however be free to deposit funds by way of security with third party in the normal course of business or if required for the business.

(ix) Revaluation of assets

Revalue its assets at any time during the currency of the Loan.

3.3 Management

a. The Borrower shall, as and when required by the Lender, appoint and change to the satisfaction of the Lender, the managing director, whole time director, suitable technical, financial and executive staff of proper qualifications and experience for the key posts. The terms of such appointments, including any changes therein, shall be subject to prior approval of the Lender.

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b. (i) Lender shall have the right to appoint, whenever they consider necessary, any person, firm, company or association of persons engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and its factory and to report to the Lender. The Lender shall have the right to appoint, whenever they consider necessary, any Chartered Accountants/Cost Accountants as auditors for carrying out any specific assignment(s) or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or for conducting a special audit of the Borrower. The costs, charges and expenses including professional fees and travelling and other expenses of such consultants or auditors shall be payable by the Borrower.

(ii) The Borrower shall constitute such committees of the Board with such composition and functions as may be required by the Lender for close monitoring of different aspects of its working.

3.4 Nominee Director

The Lender shall have the right to appoint and remove from time to time, a Director Board of Directors of the Borrower (such director is hereinafter referred to as 'Nominee Director').

(ii) The Nominee Director shall not be required to hold qualification shares and not be liable to retire by rotation.

(iii) The Nominee Director shall be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors but if any other fees, commission, monies or remuneration in any form is payable to the directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

Provided that if any such Nominee Director is an officer of the Lender, the sitting fees in relation to such Nominee Director shall also accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

Any expenditure incurred by the Lender or the Nominee Director in connection with his appointment or directorship shall be borne by the Borrower.

(iv) The Nominee Director shall be appointed a Member of the Management Committee or other committees of the Board, if so desired by the Lender.

(v) The Nominee Director shall be entitled to receive all notices, agenda and minutes, etc. and to attend all General Meetings and Board Meetings and meetings of any committees of the Board of which he is a member.

(vi) If, at any time, the Nominee Director is not able to attend a meeting of the Board of Directors or any of its committees, of which he is a member, the Lender may depute an observer to attend the meeting. The expenses incurred by the Lender in this connection shall be borne by the Borrower.

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ARTICLE IV

REPORTS AND INSPECTION

4.1 Auditor's certificate

- (i) At the request of the Lender, caused an investigation conducted by its statutory auditors to ascertain whether there had been any diversion / siphoning of funds by the Borrower. The cost of the investigation shall be borne by the Borrower.
- (ii) Notwithstanding anything contained in hereinabove, the Borrower agrees that the Lender may give instructions to its statutory auditors to carry out the investigation as to whether there was any incidence of diversion / siphoning of funds by the Borrower. The cost of the investigation to be borne by the Borrower.

4.2 Reports

- (i) The Borrower shall furnish to the Lender project completion certificate from the statutory auditor/ Lender's' engineer and such other reports as may be required by them.
- (ii) The Borrower shall maintain fixed assets register as required by law from time to time and shall furnish to the Lender the extract of the fixed asset register within one month after implementation of the project and thereafter as on March 31st of each year during the currency of the Loan.

4.3 Expenditure records: Inspection

The Borrower shall,

- i) Maintain records showing expenditure incurred, utilisation of the disbursements out of the Loan the operations and financial condition of the Borrower and such records shall be open to examination by the Lender, and their authorised representatives.
- ii) Allow the authorised representatives or nominees of the Lender including any auditor or technically qualified person to inspect the assets purchased out of the Loan and will give all facilities to enable such persons to report thereon.
- iii) The cost of inspection, including travelling and all other expenses, shall be payable by the Borrower to the Lender in this behalf.

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ARTICLE V

EVENTS OF DEFAULTS AND CONSEQUENCES

5.1 If one or more of the events specified in this section (hereinafter called "events of default") happen(s), the Lender may by a notice in writing to the Borrower, declare the principal of and all accrued interest on the Loan to be due and payable forthwith and the security created in terms of this Agreement shall become enforceable.

(a) Default in payment of principal sum of the Loan

Default has occurred in the payment of principal sum of the Loan on the due dates.

(b) Default in payment of interest

Default has been committed by the Borrower in payment of any instalment of interest on the Loan and such default has continued for a period of thirty days.

(c) Default in performance of covenants and conditions

Default has occurred in the performance of any representation, warranty, other covenant condition or agreement on the part of the Borrower under this Agreement or any other agreement and such default has continued for a period of thirty days after notice in writing thereof has been given to the Borrower by the Lender.

(d) Inability to pay debts

The Borrower is unable to pay its debts or proceedings for taking it into liquidation, either voluntarily or compulsorily, may be or have been commenced.

(e) Attachment or distraint on charged assets

If an attachment or distraint has been levied on the assets or any part thereof hypothecated/mortgaged to the Lender or certificate proceedings have been taken or commenced for recovery of any dues from the Borrower.

(f) Appointment of receiver or liquidator

A receiver or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Borrower.

(g) Sale, disposal and removal of assets

If, without the prior approval of the Lenders, any land, buildings, structures or plant and machinery of the Borrower are sold, disposed of, charged, encumbered or alienated or the said buildings, structures, machinery, plant or other equipment are removed, pulled down or demolished.

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(h) Submission of misleading information

Any information given by the Borrower in its application for Loan, in the reports and other information furnished by the Borrower in accordance with the Reporting System and the warranties given / deemed to have been given by the Borrower to the Lender is misleading or incorrect in any material respect.

(h) Cross defaults and cross acceleration

(i) The Borrower's failure to pay any amount or meet with any obligation when due to any person other than the Lender or an event of default being constituted in relation to any of the Borrower's credit, borrowing or any other arrangement with any person other than the Lender.

(i) Any person other than the Lender accelerating repayment (i.e demanding repayment ahead of the previously agreed repayment schedule) due from the Borrower to such other person under the Borrower's credit, borrowing or any other arrangement with that person.

5.2 If an event of default has taken place then the Lender shall have the right to publish the information in the manner it may consider appropriate.

5.3 Notice to the Lender on the happening of an event of default

If any event of default or any event which, after the notice, or lapse of time, or both, would constitute an event of default has happened, the Borrower shall, forthwith give notice thereof to the Lender in writing specifying the nature of such event of default, or of such event.

5.4 Expenses of preservation of assets of Borrower and of collection

All expenses incurred by the Lender after an event of default has occurred in connection with -

- (a) preservation and protection of the Borrower's assets (whether then or thereafter existing); and
- (b) collection of amounts due under this Agreement; shall be payable by the Borrower.

5.5 (a) Right to appoint whole time director / nominee director

Upon the occurrence of an event of default the Lender has the right to appoint and remove from time to time Whole -time Director(s) /Nominee Director (s) on the Board of Directors of the Borrower. Such Whole -time Director(s) /Nominee Director (s) shall exercise such powers and duties as may be approved by the Lender and have such rights as are usually exercised by or are available to a Whole -time Director/Nominee Director (s) in the management of the affairs of the Borrower. Such Whole -time Director (s) /Nominee Director (s) shall not be required to hold qualification shares nor liable to retire by rotation and shall be entitled to receive such remuneration fees, commission and monies[ILLEGIBLE]

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Director (s) shall have the right to receive notices of and attend all general meetings and board meetings or any committee of the Borrower of which they are members. Any expenses that may be incurred by the Lenders or such Whole –time Director(s)/ Nominee Director (s) in connection with their appointment or directorship shall be paid or reimbursed by the Borrower to the Lender or as the case may be, to such Whole –time Director(s) /Nominee Director(s).

(b) Conversion right (Applicable to RTL)

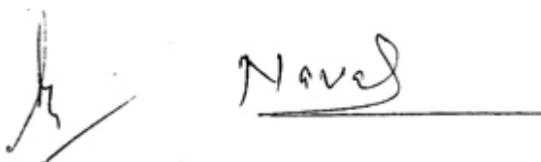
If the Borrower continues to be in default for a period of thirty (30) days or more from due date of instalments of principal amounts of the Loan or interest thereon or any combination thereof, then, the Lender shall have the right to convert (which right is hereinafter referred to as "the conversion right") at their option the whole or part of the outstanding amount of the Loan into fully paid-up equity shares of the Borrower, at par in the manner specified in a notice in writing to be given by the Lender to the Borrower (which notice is hereinafter referred to as the "notice of conversion") prior to the date on which the conversion is to take effect, which date shall be specified in the said notice (hereinafter referred to as the "date of conversion").

(i) On receipt of notice of conversion, the Borrower shall allot and issue the requisite number of fully paid-up equity shares to the Lender as from the date of conversion and the Lender shall accept the same in satisfaction of the principal amount of the Loan to the extent so converted. The part of the Loan so converted shall cease to carry interest as from the date of conversion and the Loan shall stand correspondingly reduced. Upon such conversion, the instalments of the Loan payable after the date of conversion as per the Amortization Schedule in this Agreement shall stand reduced proportionately by the amounts of the Loan so converted. The equity shares so allotted and issued to the Lender shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Borrower. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Borrower in all respects. The Borrower shall, at all times, maintain sufficient unissued equity shares for the above purpose.

ii) The conversion right reserved as aforesaid may be exercised by the Lender on one or more occasions during the currency of the Loan.

iii) The Borrower assures and undertakes that in the event of the Lender exercising the right of conversion as aforesaid, the Borrower shall get the equity shares which will be issued to the Lender as a result of the conversion, listed with the Stock Exchange(s) at Mumbai and such other places as may be notified by the Lender to the Borrower.

For the purposes of this clause it shall not be construed as a default, if the Borrower approaches the Lender well in advance for postponement of principal or interest, as the case may be, and the Lender agree to the same. Explanation: the term "outstanding" shall mean the principal amount of the Loan, interest and other monies payable thereon as at the time when the amounts are sought to be converted into equity shares of the Borrower.



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ARTICLE VI
MISCELLANEOUS.

6.1 Cancellation by notice to the Borrower

The Lender may, by notice in writing to the Borrower, cancel the Loan or any part thereof, which the Borrower has not withdrawn prior to the giving of such notice.

6.2 Suspension

Further access by the Borrower to the use of the Loan may be suspended or terminated by the Lender:

- i) Upon failure by the Borrower to carry out all or any of the terms of this Agreement or on the happening of any event of default as provided in this Agreement.
- ii) If any extra-ordinary situation makes it improbable that the Borrower would be able to perform its obligations under this Agreement.
- iii) If any change in the Borrower's set-up has taken place which, in the opinion of the Lender (which shall be final and binding on the Borrower), would adversely affect the conduct of the Borrower's business or the financial position or the efficiency of the Borrower's management or personnel or carrying on its activities.

6.3 Suspension to continue till default remedied

The right of the Borrower to make withdrawals from the Loan shall continue to be suspended until the Lender has notified the Borrower that the right to make withdrawals has been restored.

6.4 Termination

If any of the events described above and elsewhere in this Agreement has been continuing or if the right of the Borrower to make withdrawals from the Loan shall have been suspended with respect to any amount of the Loan for a continuous period of thirty days or if the Borrower has not withdrawn the Loan by the date referred to herein or such later date as may be agreed to by the Lender then, in such event, the Lender may by notice in writing to the Borrower, terminate the right of the Borrower to make withdrawals. Upon such notice, the undrawn amount of the Loan/the Facility shall stand cancelled. Notwithstanding any cancellation, suspension or termination pursuant to the aforesaid provisions, all the provisions of this Agreement shall continue to be in full force and effect as herein specifically provided.

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6.5 Provisions relating to waiver

No delay in exercising or omission to exercise any right, power or remedy accruing to the Lender upon any default under this Agreement, security documents or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Lender in respect of any default or any acquiescence by the Lender in any default, affect or impair any of its right, power or remedy in respect of any other default.

6.6 Evidence and calculations

(a) Accounts

In any legal action or proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained by the Lender shall be conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded.

(b) Statement of accounts

Any certification or determination by the Lender of a rate of interest or amount under this Agreement is conclusive evidence of the matters to which it relates.

6.6 Effective date of Agreement

This Agreement shall become binding on the Borrower and the Lender on and from the date first above written. It shall be in force till all monies due and payable and disbursed from time to time under this Agreement are fully paid off.

6.8 Assignments etc.

(a) The Borrower shall have no right of assignment under this Agreement without the prior approval of the Lender.

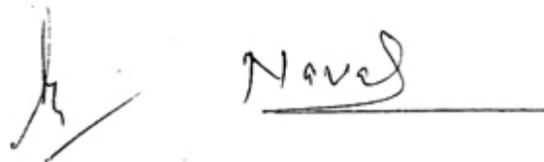
(b) The Lender may securitise, assign, transfer or novate any of its rights and obligations under this Agreement, and or under the loan/security documents and the Borrower shall take such action as may be necessary to perfect such transaction.

6.9 Service of notice

Any notice or request to be given or made to the Lender or to the Borrower or to any other party shall be in writing. Such notice or request shall be deemed to have been given or made when it is delivered by hand or despatched by mail, e-mail, or fax, or overnight courier to the party to which it is required to be given or made at such party's designated address.

6.10 Supremacy

If there is any inconsistency between these presents and the Sanction Letter, the Sanction Letter shall prevail.



Handwritten signature and name "Navel" with a horizontal line underneath.

IN WITNESS WHEREOF the Borrower has caused its Common Seal to be affixed hereto on the day, month and year first above written.

The Common Seal of BHARAT BUSINESS CHANNEL LIMITED has, pursuant to the resolution of its Finance and General Affairs

Committee that behalf on the 3rd day of January 2014 and of read with Power of Attorney(POA) dt. 6.1.2014 hereunto been affixed in the presence of Shri Navalkishor Jakhotia (POA holder), who have signed these presents in token thereof.

SIGNED AND DELIVERED BY the withinnamed Lender by the hand of

Shri Ashwani Mehra an authorized official of the Lender.

Naval
For IDBI BANK LTD.
(ICG Corporate Banking)
Authorized Signatory

SCHEDULE I
(AMORTISATION SCHEDULE)

The company shall repay the principal amount of the RTL in 24 unequal quarterly instalments commencing from April 1, 2015 (after a moratorium of about 1 1/4 years from the date of first disbursement) in line with the repayment schedule of the existing term loans as under :

<u>Year</u>	<u>Amt. out of total loan to be repaid during the year</u>	<u>No. of quarterly installments</u>
2015-16	5.00%	4
2016-17	7.50%	4
2017-18	15.00%	4
2018-19	20.00%	4
2019-20	25.00%	4
2020-21	27.50%	4
Total	100.00%	24

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[\(Back To Top\)](#)

Section 15: EX-10.9 (EXHIBIT 10.9)

Exhibit 10.9

LOAN AGREEMENT
BETWEEN
BHARAT BUSINESS CHANNEL LIMITED
AS BORROWER
AND
IDBI BANK LIMITED
AS LENDER



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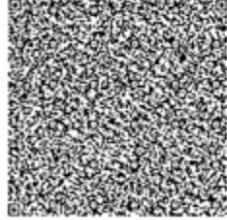


INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL6273112207777L
Certificate Issued Date : 02-Jan-2013 01:33 PM
Account Reference : IMPACC (IV)/ dl775803/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL77580325273157261084L
Purchased by : BHARAT BUSINESS CHANNEL LIMITED
Description of Document : Article Others
Property Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LIMITED
Second Party : NA
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LIMITED
Stamp Duty Amount(Rs.) : 200
(Two Hundred only)



.....Please write or type below this line.....

LOAN AGREEMENT

FAW
THIS AGREEMENT made at New Delhi this 10th day of January Two thousand and 13
Thirteen

BETWEEN

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Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs)
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilestamp.com"

BHARAT BUSINESS CHANNEL LIMITED, a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its Registered Office at Auto Card Compound, Adalat Road, Aurangabad - 431 005 (hereinafter referred to as "the Borrower" which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors and permitted assigns);

AND

IDBI BANK LIMITED, a company incorporated and registered under Companies Act, 1956 (1 of 1956) and a banking company within the meaning of Section 5 (c) of the Banking Regulation Act, 1949 (10 of 1949) and having its Registered Office at IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400 005 and one of its branch office at Infrastructure Corporate Branch at 5th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400 005 (hereinafter referred to as "the Lender" which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors and assigns).

ARTICLE I

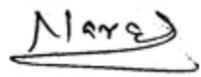
THE LOAN

1.1 Amount and terms of the Loan

The Borrower agrees to borrow from the Lender and the Lender agrees to lend and advance to the Borrower a loan of Rs. 175 'Crore (Rupees One Hundred Seventy Five Crore Only) (hereinafter referred to as "the Loan" for meeting the funding requirement during the business plan period, towards creation of assets including, subscriber acquisition cost; cost of consumer premises equipments inventory build up; general capital expenditure etc. on the terms and conditions contained herein and in the Sanction Letter Nos. [IDBI/ICG(W)/BBCL/2756 and IDBI/ICG(W)/BBCL/2757 dated December 20, 2012 and IDBI/ICG(W)/BBCL/2826 and IDBI/ICG(W)/BBCL/2827 dated January 9, 2013 and the same shall be construed as forming integral part of this Agreement and is annexed hereto.

1.2 Interest

(i) The Borrower shall pay to the Lender interest on the principal amount of the Loan outstanding from time to time and all other monies from the date of disbursement of the Loan which shall accrue under the provisions of this Agreement commencing from the first day of succeeding month of first disbursement of the Loan and thereafter on first of every month at the rate of IDBI Bank's Base Rate (BBR) plus 350 bps (spread) fully floating (presently BBR is 10.50% per annum) (present effective rate of interest is 14% per annum (Interest Rate). The Lender reserves the right to reset the Interest Rate (including the spread) at the end of 12 (twelve) months from the date of first disbursement and every year thereafter. The Borrower agrees to pay the interest at the reset rate as may be notified by the lender from time to time





(Reset Interest Rate). The interest rate or the Reset Interest Rate is hereinafter referred to as the Applicable Interest Rate. The interest on the Loan will accrue from the date of disbursement.

(ii) All Interest on the Loan and all other monies accruing under this Agreement and other financing documents shall, in case the same are not paid on the respective due dates, carry interest/further interest at the Applicable Interest Rate (Further Interest) computed from the respective due date until such payment and shall become payable upon the footing of compound interest with monthly rests on demand and in the absence of any such demand on the next interest payment date falling after the date of default.

(iii) Interest and all other charges shall accrue from day to day and shall be computed on the basis of 365 days' a year and the actual number of days elapsed. All rates of interest mentioned herein shall be exclusive of interest tax and/or such other levies/duties.

(iii) Disbursements made pending creation of final security as stipulated in Article II hereof shall carry additional interest at the rate of 1% per annum, over and above the Applicable Interest Rate, till creation of such security, after expiry of [3 months time] from the date of first disbursement (hereinafter referred to as "additional interest").

(iv) If Borrower defaults in payment of any installment of principal amount, interest thereon or any other monies (except liquidated damages) on the respective due dates, the Borrower shall pay on such defaulted amounts, liquidated damages at the rate of 2 % per annum for the period of default, which shall be payable on demand or in the absence of any such demand on the next interest payment date falling after the date of default.

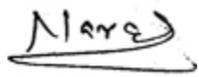
1.3 Fee

The Borrower shall pay to the Lender non-refundable management fee of 0.20 % and upfront fee of 0.20% (together with applicable taxes and cess, if any) on the Loan Amount on or before the date of Loan Agreement. The Borrower shall also pay the legal fee plus other charges as advised by the Lender.

The Borrower shall pay the commitment fee of 1 % per annum (plus applicable taxes) on the amount not drawn by the Borrower as per the agreed drawdown schedule in terms of the sanction letters.

1.4 Last Date Of Drawal

Unless the Lender otherwise agrees, the right to make drawls from the Loan shall cease on December 31, 2014 and any undrawn portion of the financial assistance shall automatically stand cancelled.



1.5 Repayment

(i) The Borrower undertakes to repay the principal amount of the Loan in accordance with the Amortization Schedule as set forth in Schedule or as advised and pay the interest, additional interest, further interest, liquidated damages, fees and other charges as stipulated in this Agreement.

(ii) The Lender may, wherever warranted, revise, vary or postpone the repayment of the principal amounts of the Loan or the balance outstanding for the time being or any instalment(s) of the said principal amounts of the Loan or any part thereof by giving prior notice to the Borrower on such terms and conditions as may be decided by it and the Borrower shall be deemed to have consented to the same.

(iii) In the event of any default in the payment of instalments of principal, any interest and liquidated damages, postponement, if any, allowed by the Lender shall be at the rate of interest as may be stipulated by the Lender at the time of postponement and the Borrower shall be deemed to have consented to the same.

(iv) If, for any reason, the amount finally disbursed by the Lender out of the Loan is less than the amount of the Loan, the number of instalment(s) of repayment of the Loan shall stand reduced accordingly and be payable as per the revised Amortisation Schedule advised by the Lender and the Borrower shall be deemed to have consented to the same.

1.6 Appropriation of payments

Unless otherwise agreed to by the Lender, any payments due and payable under this Agreement and made by the Borrower shall be appropriated towards such dues in the following order, viz.:

- i) Interest on costs, charges, expenses and other monies;
- ii) Costs, charges, expenses and other monies;
- iii) Further interest and liquidated damages on defaulted amounts;
- iv) Interest including additional interest, payable in terms of this Agreement;
- v) Premium on prepayment
- vi) Repayment of principal/ instalments of principal due and payable under this Agreement.

1.7 Place and mode of payment by the Borrower

All the monies payable by the Borrower to the Lender shall be made directly to the Lenders to any of its branches /offices as may be specified by them by Real Time Gross Settlement or such other electronic mode acceptable to the Lender to the account of such office (s). Credit for payment will be given on realization of the amount by the Lender or the relative due date, whichever is later.

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1.8 Premature repayment

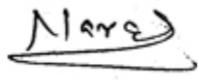
Any prepayment of the Loan shall be subject to payment of prepayment premium at the rate of 2 % per annum of the pre-paid principal amount. Provided that no prepayment would be payable by the Borrower, if the prepayment is at instance of the Lender or if the Borrower opts to prepay the Loan within 90 (ninety) days from the date of advise of the increase in the interest spread on interest rest dates.

1.9 Due date of payment

If the due date in respect of any instalment of principal, interest and liquidated damages and all other monies payable under this Agreement falls on a day which is a bank holiday at the place where the payment is to be made, the immediately preceding working day shall be the due date for such payment.

1.10 Terms of disbursement

The obligation of the Lender to make disbursements under this Agreement shall be subject to the Borrower performing all its obligations and undertakings under this Agreement besides compliance by the Borrower with the disbursement procedure stipulated by the Lender, including submission of necessary information, documents, margin/matching contribution, tenure of Loan etc. to the satisfaction of the Lender.





ARTICLE II

SECURITY

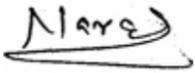
2.1 Security for the Loan

The Loan together with all interest, costs, expenses and other monies whatsoever stipulated in this Agreement shall be secured by: -

- (i) a first mortgage and charge in favour of the Lender in a form satisfactory to the Lender of all the Borrower's immovable properties, both present and future,
- (ii) a first charge by way of hypothecation in favour of the Lender of the Borrower's entire movables, including movable machinery, machinery spares, tools and accessories, present and future; and
- (iii) an assignment by the Borrower, by way of first charge, in favour of the Lender of DTH license
- (iv) a first charge on Escrow Account and Debt Service Reserve Account

The mortgages and charges referred to above shall rank pari passu with the mortgages and charges created and/or to be created in favour of:

- (a) Central Bank of India for their rupee term loan of Rs.350 Crore;
 - (b) IDBI Bank Term Loan of Rs. 360 crore
 - (c) Bank of Baroda (RTL of Rs. 100 crore)
 - (d) Oriental Bank of Commerce (RTL of Rs.100 crore)
 - (e) Bank of India (RTL of Rs.50 crore)
 - (f) ICICI Bank Ltd (RTL of Rs.300 crore)
 - (g) Karur Vyasya Bank Ltd. (RTL of Rs.50 crore)
 - (h) Canara Bank (RTL of Rs.200 crore)
 - (i) Syndicate Bank (RTL of Rs. 100 crore)
 - (j) Jammu & Kashmir Bank (RTL of Rs.100 crore)
 - (k) Dena Bank (RTL of Rs.100 crore)
- (v) procure an irrevocable and unconditional guarantee from S/Shri Venugopal Dhoot, Pradeep Kumar N. Dhoot in favour of the Lender to the satisfaction of Lender. No guarantee commission shall be payable by the Borrower to the guarantors.
- (vi) procure an irrevocable and unconditional corporate guarantee from Solitaire Appliances Private Limited; Platinum Appliances Private Limited and Greenfield Appliances Private Limited to the satisfaction of Lender; No guarantee commission shall be payable by the Borrower to the guarantors





(vii) procure a Letter of Comfort from Videocon Industries Limited, the company will be allowed to withdraw the Letter of Comfort after successful equity infusion by BBCL, to the satisfaction of IDBI.

- 2.2 The Borrower shall make out a good and marketable title to its properties to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose including obtaining consents from the existing charge holders.
- 2.3 So long as any monies remain due and outstanding to the Lender, the Borrower undertakes to notify the Lender in writing of all its acquisitions of immovable properties.
- 2.4 If, at any time during the subsistence of this Agreement, the Lender is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the Loan then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall provide and furnish to the Lender, to its satisfaction such additional security as may be acceptable to the Lender to cover such deficiency.
- 2.5 The Borrower shall not, without prior consent of the Lender, during the currency of this Agreement, create in favour of any other person any charge(s) on the assets, which are charged/agreed to be charged in favour of the Lender pursuant to Section 2.1 hereof.
- 2.6 The Borrower shall enter into the Escrow Agreement to establish special purpose no-lien accounts viz. Escrow Account and Retention Accounts with the Escrow Agent and make firm arrangements (i) for prompt deposit of all Project Proceeds to the credit of the said Escrow Account and (ii) for transfer by the Escrow Agent of the proceeds of the Escrow Account into various Retention Accounts in the manner and priority as may be specified/prescribed by the Lender in a form to be agreed to between the Lender and the Borrower, which shall, inter alia, provide for maintenance at all times of Debt Service Reserve equivalent to one quarter debt servicing in respect of the Loans and shall not make any payment of dividend on equity, interest on or repayment of other loans, if any, brought in until the required appropriations /replenishments are made to Debt Service Reserve in terms of the sanction letter.

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ARTICLE III

BORROWER'S WARRANTIES AND COVENANTS

3.1 Except to the extent already disclosed in writing by the Borrower to the Lender, the Borrower shall be deemed to have assured, confirmed and undertaken as follows:

(a) Conflict with Constitutional documents

Nothing in this Agreement conflicts with any provisions of the Borrower's constitutional documents

(b) No director who is on the board of a company declared as a wilful defaulter

No director is on its Board who is also a director on the board of a willful defaulter

(c) Right to disclose the names and particulars of the Borrower and the credit facilities availed of / to be availed, by the Borrower.

- (i) The Lender shall have the right to disclose the information relating to the Borrower to Credit Information Bureau (India) Limited (CIBIL) or any other similar agency, which in turn shall have the right to use the information as authorised in this behalf by RBI.
- (ii) The Lender shall have the right to disclose the information and data relating to the Borrower to other agencies in the business of credit.
- (iii) The Borrower hereby declares that the information and data furnished by the Borrower to the Lender are true and correct.

(d) Valid and Subsisting Licenses

(i) The Borrower duly owns or holds valid and subsisting licenses in respect of all trade names, trade marks, patents, designs and other intellectual property used or intended to be used by the Borrower in the course of its business and the same are duly registered in the name of the Borrower and have not become voidable.

(ii) The Borrower duly owns or holds all other material consents, licenses, franchises, permits and authorisations necessary for the lawful conduct, ownership and operation, of its business including DTH license, and the same are valid and subsisting and have not become voidable.

(e) No Claims and liabilities other than those disclosed

The Borrower does not have any claims or liabilities including, without limitations, provident fund or labour dues, income /corporate or other taxes, duties, levies or cesses, royalties, license fees, lease rentals, interest costs, penal levies, default rates, damages, claims, penalties etc.(whether present, future or contingent) which are not expressly disclosed either :

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- (i) in the Borrower's last audited balance sheet furnished to the Lender; or
- (ii) otherwise to the Lender in writing as "off -balance sheet liabilities"; or
- (iii) in any other written communication to the Lender.

(f) Non-existence of event of default

The Borrower shall satisfy the Lender that no event of default as defined in Article V hereof and no event which, with the lapse of time or giving of notice and lapse of time as specified in Article V, would become an event of default, has happened and been continuing.

(g) Project

The Borrower shall,

(i) Project changes

Promptly notify the Lender of any proposed change in the nature or scope of the project and of any event or condition, which might materially and adversely affect or delay completion of the project or result in substantial overrun in the original estimate of costs. Any proposed change in the nature or scope of the project shall not be implemented or funds committed therefore without the prior approval of the Lender;

(ii) Contract change

Obtain concurrence of the Lender to any material modification or cancellation of the Borrower's agreements with its machinery suppliers, collaborators, technical consultants and suppliers of raw materials;

(iii) Delay in completing the project

Promptly inform the Lender of the circumstances and conditions, which are likely to disable the Borrower from implementing the project, or which are likely to delay its completion or compel the Borrower to abandon the same.

(h) Current account

The Borrower shall open a current account with the Lender and all disbursement of the Loan shall ordinarily be routed through the said account

(i) Utilisation of the Loan

The Borrower shall furnish to the Lender:

- (a) (i) at the end of each month following the month in which the Loan is disbursed, a statement duly certified by statutory auditor/ Chartered Accountant, certifying the manner in which the said monies have been utilised.
- (ii) information and statements relating to its business, utilisation of the Loan, its assets and other information relating to the group/ subsidiaries as may be required from time to time, including duly audited annual account.

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- (b) The Loan shall not be utilised for any purpose other than for which it is sanctioned and, in particular (including but not limited to), it shall not be utilised for any of the following purposes:
- i) subscription to or purchase of shares/debentures and investment in real estate;
 - ii) repayment of dues of promoters / associate concerns / inter-corporate deposits, etc;
 - iii) for extending loans/facilities to subsidiary or associate companies or for making any inter-corporate deposits, and
 - iv) for any other speculative purposes.

3.2 General covenants

A) Unless otherwise agreed to by the Lender, the Borrower shall,

(i) Notice of winding up or other legal process

Promptly inform the Lender regarding any litigation against the Borrower, any of its properties or business or undertaking or if a Receiver is appointed of any of its properties or business or undertaking;

(ii) Adverse changes in profits and production

Promptly inform the Lender of the happening of any labour strikes, lockouts, shutdowns, fires or any event likely to have a substantial effect on the Borrower's profits or business and of any material changes in the rate of production or sales of the Borrower with an explanation of the reasons therefor;

(iii) Insurance

- (a) keep all its assets adequately insured at all time and such of its other properties as are of an insurable nature against fire, theft, lightning, explosion, earthquake, riot, strike, civil commotion, storm, tempest, flood, marine risks, erection risks, war risks, and such other risks as may be specified by the Lender and shall duly pay all premia and other sums payable for that purpose. The insurance in respect of the properties charged/to be charged to the Lender shall be taken in the joint names of the Borrower and the Lender and any other person or institution having an insurable interest in the properties of the Borrower and acceptable to the Lender. The Borrower shall keep deposited with the Lender the copies of insurance policies and renewals thereof;
- (b) agree that, in the event of failure on the part of the Borrower to insure the assets or to pay the insurance premia or other sums referred to above, the Lender may get the assets insured or pay the insurance premia and other sums referred to above, as the case may be,
- (c) agree that the Lender shall have sole discretion to appropriate the proceeds, if any received from the insurance company in satisfaction of the Loan / the Facility,
- (d) agree that it shall furnish certificate from an auditor, acceptable to the Lender, certifying the adequacy of insurance taken by,

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- (e) agree that it shall inform the Lender of the happening of any of the events specified in sub clause (a) above and the loss or damage which the Borrower may suffer due to any of the aforesaid events for which the assets are insured.

(iv) Imposts, costs, charges and expenses

During the currency of the Loan bear all such impost, duties and taxes (including interest and other taxes, if any) as may be levied from time to time by the Government or other authority with the sanction of law pertaining to or in respect of the Loan,

- (a) pay all other costs, charges and expenses in any way incurred by the Lenders (including costs of investigation of title and protection of Lender's interest) and such additional stamp duty, other duties, taxes, charges and other penalties if and when the Borrower is required to pay according to the laws for the time being in force in the State in which its properties are situated or otherwise;
- (b) agree that in the event of the Borrower failing to pay the monies referred to in sub-clause (a) the Lender will be at liberty (but shall not be obliged) to pay the same. The Borrower shall reimburse all sums paid by the Lender in accordance with the provisions contained in this Agreement.
- (i) The Borrower shall reimburse all sums paid by the Lender under demand from the Lender. All such sums shall be debited to the Borrower's Loan Account and shall carry interest from the date of payment till such reimbursement at the maximum Applicable Lending Rate (in the case of rupee loans).
- (ii) In case of default in making such reimbursement within 30 days from the date of notice of demand, the Borrower shall also pay on the defaulted amounts, liquidated damages at the rate of 2% per annum from the expiry of 30 days from the date of notice of demand till reimbursement.
- (iii) The Borrower hereby authorise the Lender to debit its current account with the Lender to the extent of expenditure incurred under this Agreement.

(v) Annual accounts

Submit to the Lender its duly audited annual accounts within six months from the close of its accounting year. In case statutory audit (if required) is not likely to be completed during this period, the Borrower shall get its accounts audited by an independent firm of Chartered Accountants and furnish the same to the Lender;

(vi) Memorandum and Articles of Association

Carry out such alterations to its Memorandum and Articles of Association as may be deemed necessary in the opinion of the Lender to safeguard the interests of the Lender arising out of this Agreement;

B) Without the prior written approval of the Lender, the Borrower shall not,

(i) New project

Undertake any new project, diversification, modernisation or substantial expansion of the project described in this Agreement. The word "substantial" shall have the same meaning as under the Industries (Development and Regulation) Act, 1951.

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(ii) Loans, debentures and charges

Issue any debentures, raise any loans, accept deposits from public, issue equity or preference capital, change its capital structure or create any charge on its assets or give any guarantees. This provision shall not apply to normal trade guarantees or temporary loans and advances granted to staff or contractors or suppliers in the ordinary course of business or raising of unsecured loans, overdrafts, cash credit or other facilities from banks in the ordinary course of business.

(iii) Premature Repayment

Prepay any loan availed by it from any other party for the project without prior written approval of the Lender, which may be granted subject to such conditions as may be stipulated by the Lender.

(iv) Commission

Pay any commission to its promoters, directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower for the purpose of the project.

(v) Subsidiaries

Create any subsidiary or permit any company to become its subsidiary.

(vi) Merger, Consolidation, Etc.

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(vii) Dividend

Declare or pay dividend to its shareholders so long as the Borrower is in default to the Lender under this Agreement and is not in compliance with stipulated financial covenants.

(viii) Investments by Borrower

Make any investments by way of deposits, loans or in share capital of any other concerns (including subsidiaries) beyond projected and accepted level by the Lender so long as any money remains due and payable to the Lender; the Borrower will however be free to deposit funds by way of security with third party in the normal course of business or if required for the business.

(ix) Revaluation of assets

Revalue its assets at any time during the currency of the Loan.

3.3 Management

a. The Borrower shall, as and when required by the Lender, appoint and change to the satisfaction of the Lender, the managing director, whole time director, suitable technical, financial and executive staff of proper qualifications and experience for the key posts. The terms of such appointments, including any changes therein, shall be subject to prior approval of the Lender.

b. (i) Lender shall have the right to appoint, whenever they consider necessary, any person, firm, company or association of persons engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and its factory and to report to the Lender. The Lender shall have the right to appoint, whenever they consider necessary, any Chartered Accountants/Cost Accountants as auditors for carrying out any specific assignment(s) or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or for conducting a special audit of the Borrower. The costs, charges and expenses including professional fees and travelling and other expenses of such consultants or auditors shall be payable by the Borrower.

(ii) The Borrower shall constitute such committees of the Board with such composition and functions as may be required by the Lender for close monitoring of different aspects of its working.

3.4 Nominee Director

(i) The Lender shall have the right to appoint and remove from time to time, a Director on Board of Directors of the Borrower (such director is hereinafter referred to as 'Nominee Director').

(ii) The Nominee Director shall not be required to hold qualification shares and not be liable to retire by rotation.

(iii) The Nominee Director shall be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors but if any other fees, commission, monies or remuneration in any form is payable to the directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

Provided that if any such Nominee Director is an officer of the Lender, the sitting fees in relation to such Nominee Director shall also accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

Any expenditure incurred by the Lender or the Nominee Director in connection with his appointment or directorship shall be borne by the Borrower.

(v) The Nominee Director shall be entitled to receive all notices, agenda and minutes, etc. and to attend all General Meetings and Board Meetings and meetings of any committees of the Board of which he is a member.

(vi) If, at any time, the Nominee Director is not able to attend a meeting of the Board of Directors or any of its committees, of which he is a member, the Lender may depute an observer to attend the meeting. The expenses incurred by the Lender in this connection shall be borne by the Borrower.

3.5 Financial Covenants

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ARTICLE IV

REPORTS AND INSPECTION

4.1 Auditor's certificate

- (i) At the request of the Lender, caused an investigation conducted by its statutory auditors to ascertain whether there had been any diversion / siphoning of funds by the Borrower. The cost of the investigation shall be borne by the Borrower.
- (ii) Notwithstanding anything contained in hereinabove, the Borrower agrees that the Lender may give instructions to its statutory auditors to carry out the investigation as to whether there was any incidence of diversion / siphoning of funds by the Borrower. The cost of the investigation to be borne by the Borrower.

4.2 Reports

- (i) The Borrower shall furnish to the Lender project completion certificate from the statutory auditor/ Lender's' engineer and such other reports as may be required by them.
- (ii) The Borrower shall maintain fixed assets register as required by law from time to time and shall furnish to the Lender the extract of the fixed asset register within one month after implementation of the project and thereafter as on March 31st of each year during the currency of the Loan.

4.3 Expenditure records: Inspection

The Borrower shall,

- i) Maintain records showing expenditure incurred, utilisation of the disbursements out of the Loan the operations and financial condition of the Borrower and such records shall be open to examination by the Lender, and their authorised representatives.
- ii) Allow the authorised representatives or nominees of the Lender including any auditor or technically qualified person to inspect the assets purchased out of the Loan and will give all facilities to enable such persons to report thereon.
- iii) The cost of inspection, including travelling and all other expenses, shall be payable by the Borrower to the Lender in this behalf.

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ARTICLE V

EVENTS OF DEFAULTS AND CONSEQUENCES

5.1 If one or more of the events specified in this section (hereinafter called "events of default") happen(s), the Lender may by a notice in writing to the Borrower, declare the principal of and all accrued interest on the Loan to be due and payable forthwith and the security created in terms of this Agreement shall become enforceable.

(a) Default in payment of principal sum of the Loan

Default has occurred in the payment of principal sum of the Loan on the due dates.

(b) Default in payment of interest

Default has been committed by the Borrower in payment of any instalment of interest on the Loan and such default has continued for a period of thirty days.

(c) Default in performance of covenants and conditions

Default has occurred in the performance of any representation, warranty, other covenant condition or agreement on the part of the Borrower under this Agreement or any other agreement and such default has continued for a period of thirty days after notice in writing thereof has been given to the Borrower by the Lender.

(d) Inability to pay debts

The Borrower is unable to pay its debts or proceedings for taking it into liquidation, either voluntarily or compulsorily, may be or have been commenced.

(e) Attachment or distraint on charged assets

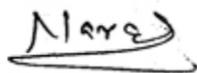
If an attachment or distraint has been levied on the assets or any part thereof hypothecated/mortgaged to the Lender or certificate proceedings have been taken or commenced for recovery of any dues from the Borrower.

(f) Appointment of receiver or liquidator

A receiver or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Borrower.

(g) Sale, disposal and removal of assets

If, without the prior approval of the Lenders, any land, buildings, structures or plant and machinery of the Borrower are sold, disposed of, charged, encumbered or alienated or the said buildings, structures, machinery, plant or other equipment are removed, pulled down or demolished.





(h) Submission of misleading information

Any information given by the Borrower in its application for Loan, in the reports and other information furnished by the Borrower in accordance with the Reporting System and the warranties given / deemed to have been given by the Borrower to the Lender is misleading or incorrect in any material respect.

(i) Cross defaults and cross acceleration

(i) The Borrower's failure to pay any amount when due to any person other than the Lender or an event of default being constituted in relation to any of the Borrower's credit, borrowing or any other arrangement with any person other than the Lender.

(ii) Any person other than the Lender accelerating repayment (i.e demanding repayment ahead of the previously agreed repayment schedule) due from the Borrower to such other person under the Borrower's credit, borrowing or any other arrangement with that person.

5.2 If an event of default has taken place then the Lender shall have the right to publish the information in the manner it may consider appropriate.

5.3 Notice to the Lender on the happening of an event of default

If any event of default or any event which, after the notice, or lapse of time, or both, would constitute an event of default has happened, the Borrower shall, forthwith give notice thereof to the Lender in writing specifying the nature of such event of default, or of such event.

5.4 Expenses of preservation of assets of Borrower and of collection

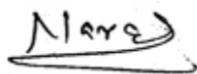
All expenses incurred by the Lender after an event of default has occurred in connection with -

(a) preservation and protection of the Borrower's assets (whether then or thereafter existing); and

(b) collection of amounts due under this Agreement; shall be payable by the Borrower.

5.5 (a) Right to appoint whole time director / nominee director

Upon the occurrence of an event of default the Lender has the right to appoint and remove from time to time Whole –time Director(s) /Nominee Director (s) on the Board of Directors of the Borrower. Such Whole –time Director(s) /Nominee Director (s) shall exercise such powers and duties as may be approved by the Lender and have such rights as are usually exercised by or are available to a Whole –time Director/Nominee Director (s) in the management of the affairs of the Borrower. Such Whole –time Director (s) /Nominee Director (s) shall not be required to hold qualification shares nor liable to retire by rotation and shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Lender. Such Whole –time Director(s) /Nominee Director (s) shall have the right to receive notices of and attend all general meetings and board meetings or any committee of the Borrower of which they are members. Any expenses that may be incurred by the Lenders or such Whole –time Director(s)/ Nominee Director (s) in connection with their appointment or directorship shall be paid or reimbursed by the Borrower to the Lender or as the case may be, to such Whole –time Director(s) /Nominee Director(s).





(b) Conversion right

If the Borrower continues to be in default for a period of thirty (30) days or more from due date of instalments of principal amounts of the Loan or interest thereon or any combination thereof, then, the Lender shall have the right to convert (which right is hereinafter referred to as "the conversion right") at their option the whole or part of the outstanding amount of the Loan into fully paid-up equity shares of the Borrower, at par in the manner specified in a notice in writing to be given by the Lender to the Borrower (which notice is hereinafter referred to as the "notice of conversion") prior to the date on which the conversion is to take effect, which date shall be specified in the said notice (hereinafter referred to as the "date of conversion").

- (i) On receipt of notice of conversion, the Borrower shall allot and issue the requisite number of fully paid-up equity shares to the Lender as from the date of conversion and the Lender shall accept the same in satisfaction of the principal amount of the Loan to the extent so converted. The part of the Loan so converted shall cease to carry interest as from the date of conversion and the Loan shall stand correspondingly reduced. Upon such conversion, the instalments of the Loan payable after the date of conversion as per the Amortization Schedule in this Agreement shall stand reduced proportionately by the amounts of the Loan so converted. The equity shares so allotted and issued to the Lender shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Borrower. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Borrower in all respects... The Borrower shall, at all times, maintain sufficient unissued equity shares for the above purpose.
- ii) The conversion right reserved as aforesaid may be exercised by the Lender on one or more occasions during the currency of the Loan.
- iii) The Borrower assures and undertakes that in the event of the Lender exercising the right of conversion as aforesaid, the Borrower shall get the equity shares which will be issued to the Lender as a result of the conversion, listed with the Stock Exchange(s) at Mumbai and such other places as may be notified by the Lender to the Borrower.

For the purposes of this clause it shall not be construed as a default, if the Borrower approaches the Lender well in advance for postponement of principal or interest, as the case may be, and the Lender agree to the same. Explanation: the term "outstanding" shall mean the principal amount of the Loan, interest and other monies payable thereon as at the time when the amounts are sought to be converted into equity shares of the Borrower.

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ARTICLE VI
MISCELLANEOUS.

6.1 Cancellation by notice to the Borrower

The Lender may, by notice in writing to the Borrower, cancel the Loan or any part thereof, which the Borrower has not withdrawn prior to the giving of such notice.

6.2 Suspension

Further access by the Borrower to the use of the Loan may be suspended or terminated by the Lender:

- i) Upon failure by the Borrower to carry out all or any of the terms of this Agreement or on the happening of any event of default as provided in this Agreement.
- ii) If any extra-ordinary situation makes it improbable that the Borrower would be able to perform its obligations under this Agreement.
- iii) If any change in the Borrower's set-up has taken place which, in the opinion of the Lender (which shall be final and binding on the Borrower), would adversely affect the conduct of the Borrower's business or the financial position or the efficiency of the Borrower's management or personnel or carrying on its activities.

6.3 Suspension to continue till default remedied

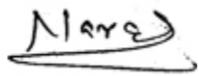
The right of the Borrower to make withdrawals from the Loan shall continue to be suspended until the Lender has notified the Borrower that the right to make withdrawals has been restored.

6.4 Termination

If any of the events described above and elsewhere in this Agreement has been continuing or if the right of the Borrower to make withdrawals from the Loan shall have been suspended with respect to any amount of the Loan for a continuous period of thirty days or if the Borrower has not withdrawn the Loan by the date referred to herein or such later date as may be agreed to by the Lender then, in such event, the Lender may by notice in writing to the Borrower, terminate the right of the Borrower to make withdrawals. Upon such notice, the undrawn amount of the Loan/the Facility shall stand cancelled. Notwithstanding any cancellation, suspension or termination pursuant to the aforesaid provisions, all the provisions of this Agreement shall continue to be in full force and effect as herein specifically provided.

6.5 Provisions relating to waiver

No delay in exercising or omission to exercise any right, power or remedy accruing to the Lender upon any default under this Agreement, security documents or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Lender in respect of any default or any acquiescence by the Lender in any default, affect or impair any of its right, power or remedy in respect of any other default.





6.6 Evidence and calculations

(a) Accounts

In any legal action or proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained by the Lender shall be conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded.

(b) Statement of accounts

Any certification or determination by the Lender of a rate of interest or amount under this Agreement is conclusive evidence of the matters to which it relates.

6.7 Effective date of Agreement

This Agreement shall become binding on the Borrower and the Lender on and from the date first above written. It shall be in force till all monies due and payable and disbursed from time to time under this Agreement are fully paid off.

6.8 Assignments etc.

(a) The Borrower shall have no right of assignment under this Agreement without the prior approval of the Lender.

(b) The Lender may securitise, assign, transfer or novate any of its rights and obligations under this Agreement, and or under the loan/security documents and the Borrower shall take such action as may be necessary to perfect such transaction.

6.9 Service of notice

Any notice or request to be given or made to the Lender or to the Borrower or to any other party shall be in writing. Such notice or request shall be deemed to have been given or made when it is delivered by hand or despatched by mail, e-mail, or fax, or overnight courier to the party to which it is required to be given or made at such party's designated address.

6.10 Supremacy

If there is any inconsistency between these presents and the Sanction Letter, the Sanction Letter shall prevail.

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SCHEDULE I
(AMORTISATION SCHEDULE)

The company shall repay the principal amount of the RTL in 24 unequal quarterly instalments commencing after 2^{1/4} years from the date of first disbursement (tentatively April 1, 2015) as under:

No. of installment	Date of repayment	Amount of installment	Loan outstanding after repayment of installment
1	April 1, 2015	21875000	1728125000
2	July 1, 2015	21875000	1706250000
3	October 1, 2015	21875000	1684375000
4	January 1, 2016	21875000	1662500000
5	April 1, 2016	32812500	1629687500
6	July 1, 2016	32812500	1596875000
7	October 1, 2016	32812500	1564062500
8	January 1, 2017	32812500	1531250000
9	April 1, 2017	65625000	1465625000
10	July 1, 2017	65625000	1400000000
11	October 1, 2017	65625000	1334375000
12	January 1, 2018	65625000	1268750000
13	April 1, 2018	87500000	1181250000
14	July 1, 2018	87500000	1093750000
15	October 1, 2018	87500000	1001250000
16	January 1, 2019	87500000	918750000
17	April 1, 2019	109375000	809375000
18	July 1, 2019	109375000	700000000
19	October 1, 2019	109375000	590625000
20	January 1, 2020	109375000	481250000
21	April 1, 2020	120312500	360937500
22	July 1, 2020	120312500	240625000
23	October 1, 2020	120312500	120312500
24	January 1, 2021	120312500	0

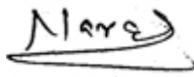
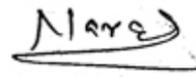
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IN WITNESS WHEREOF the Borrower has caused its Common Seal to be affixed hereto and to a duplicate hereof on the day, month and year first hereinabove written and the Lender has caused the same and the said duplicate to be executed by the hand of Shri. F.A.Khwaja authorised official of the Lender as hereinafter appearing.

THE COMMON SEAL OF BHARAT BUSINESS CHANNEL LIMITED has (pursuant to the Resolution of its Finance and General Affairs committee passed in that behalf on the 9th day of January 2013 read with Power of Attorney (POA) dated Jan. 09, 2013 hereunto been affixed in the presence of Shri Navalkishor Devilal Jakhotia (POA holder) who has signed the same in token thereof.

SIGNED AND DELIVERED BY the withinnamed Lender by the hand of Shri F.A.Khwaja an authorised official of the Lender.



ANNEXURE

(please annex accepted copy of Sanction Letter and modifications, if any.)

Name

FiA...

[\(Back To Top\)](#)

Section 16: EX-10.10 (EXHIBIT 10.10)

Exhibit 10.10



INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL32168967571354M
Certificate Issued Date : 11-Mar-2014 12:36 PM
Account Reference : IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600361804986293057M
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Properly Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : NA
Stamp Duly Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



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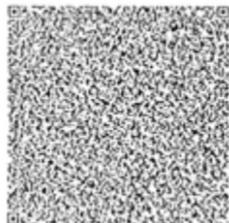


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Government of National Capital Territory of Delhi

e-Stamp

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Properly Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : NA
Stamp Duly Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



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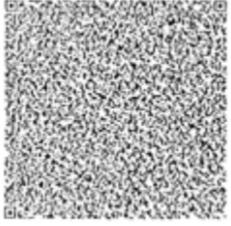


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Government of National Capital Territory of Delhi

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Unique Doc. Reference : SUBIN-DL73600361804280554413M
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Properly Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : NA
Stamp Duly Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)

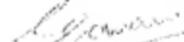


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COMPOSITE HYPOTHECATION AGREEMENT
(For stocks/Book debts/Vehicles/Movable Machinery)
/STAMP AS AN AGREEMENT
OF HYPOTHECATION
&
POWER OF ATTORNEY/

AN AGREEMENT made at New Delhi on this 14th day of March 2014 between M/s Bharat Business Channels Limited (hereinafter called "The Borrower") of the ONE PART and Bank of Baroda a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and having its Head office at MANDAVI BARODA, AND one of Its branches At CFS, Mantri Court, 1st Floor, Ramabai Ambedkar Road, Pune hereinafter called "The Bank") of the SECOND PART. WHEREAS the Bank has at the request of the Borrower agreed to grant and/or continue to grant banking facilities or accommodation to the Borrower by way of Term Loan facilities (hereinafter collectively referred to as "banking facilities" with an aggregate maximum limit of Rs. 200/- crores (Rupees two hundred crores) and the repayment of all moneys including principal sums, interest, additional interest, further Interest, penal interest, commission, costs, charges and expenses etc., payable under or in respect of such facilities have been secured/agreed to be secured by various agreements and documents executed by the Borrower from time to time in favour of the Bank AND WHEREAS one of the conditions stipulated by the Bank is that the repayment of all moneys under the banking facilities or accommodation or accounts (as set out in the First Schedule hereunder written) shall inter alia be secured by the Borrower by way of hypothecation of all the Borrower's Raw Materials, Stock-in-process, Finished Goods and all the Book-Debts, Movable Plant and Machinery/Vehicles/Crafts, Consumable Stores and Spares, both present and future and on the terms and conditions set out in the Bank's sanction advice to the Borrower dated 05.03.2013

For BHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

1. Subject to the terms and conditions contained in these presents the Bank has granted or agreed at Its discretion to grant or continue to grant to the Borrower at CFS, Pune or at any of its branches in India banking facilities or accommodation to the Borrower as mentioned in the sanction advice set out in First Schedule hereto and/or outstanding and due to the Bank in each of the accounts of the Borrower upto an aggregate maximum limit of Rs. 200/- Crores (Rupees two hundred crores).

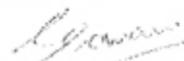
2. The Borrower hereby agrees and undertakes that the amount/amounts advanced or to be advanced by the Bank will not be used for any purpose other than for which it has been sanctioned/advanced. It is distinctly understood by the Borrower that the Borrower is hereby expressly prohibited from using the amount advanced and/or to be advanced of any part thereof for any purpose other than for which it has been advanced/sanctioned and that if the Bank apprehends or has any reason to believe, the Bank's decision in this regard being final, that the Borrower has violated or is violating or is likely to violate this condition it shall be lawful for the Bank and the Bank shall have a right to recall the entire balance due under all, any and/or each of the facilities or accommodations then outstanding or any part thereof forthwith notwithstanding anything to the contrary contained herein or in any other document or letter of sanction or terms and conditions and without prejudice to any of the rights of the Bank hereunder or under any law, rule or regulations to initiate appropriate civil and/or criminal action/s against the Borrower. The Borrower further agrees that on such demand, the Borrower shall forthwith pay the amount/s due together with interest, further interest, additional interest, penal interest, commission, fees, cost, charges and expenses incurred or to be incurred by the Bank till date of payment. The Bank shall have an absolute discretion to determine what amount/s within the aforesaid limit it will advance and/or allow to be outstanding from time to time in the respective separate account opened/to be opened by it and the Bank shall be at liberty to refuse to allow further drawings or advances or to make available any facility at any time without previous notice to the Borrower and without assigning any reasons therefore.

3. The Bank may at the request of the Borrower vary or diversify the facilities allowed by it to the Borrower but so, however, that the overall limit of the principal amount at any time outstanding shall not exceed the aggregate maximum limit secured hereunder and this will not in any way affect or prejudice the security by way of hypothecation created by this deed. The facilities and their limits so varied/diversified from time to time during the tenure of this security shall be deemed to be the facilities/limits secured under these presents.

4.1 Subject to clause 4.4 below the Borrower shall pay interest/commission to the Bank in respect of the said banking facilities from time to time on the outstanding in their respective banking facility accounts at the respective rate/s as contained in the sanction advices forming part of First Schedule hereunder written PROVIDED HOWEVER the Bank shall at any time or from time to time be entitled to change or vary the rate of interest/commission in respect of any one or every facility or accommodation. Notice of variation of rate of interest from time to time as per the directions of the Reserve Bank of India/or as per Prime Lending Rate fixed by the Bank or the Head Office of the Bank is waived. Such variation in the rate notified in the notice board in the Bank premises shall be sufficient notice to the Borrower and the Borrower agrees to pay interest at the rate notified in the notice board from time to time until all dues are cleared in full. Provided further that the interest/commission payable by the Borrower shall be subject to the change in prime lending rate of the Bank from time to time as determined and/or interest/commission that may be levied/prescribed by the Bank and/or RBI from time to time, and this document shall be construed as if such revised rate/s of interest/commission were already mentioned in the said Schedule and agreed to be paid by the Borrower and hereby secured. The Bank shall be entitled to demand payment of interest for the time being due or other amounts payable by the Borrower under these presents without at the same time demanding payment of the balance due to the Bank exclusive of such interest or other amounts.

4.2 Interest payable at the rate/s aforesaid shall be calculated on the daily debit balance in the cash credit and other banking facility account/s and charged accordingly in the said account(s) on the last working day of each month or quarter or half-year as the Bank may decide.

For GHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

4.3 Without prejudice to the generality of the foregoing the Bank shall also be entitled to charge at its own discretion and the Borrower shall be liable to pay and hereby agrees to pay additional/enhanced rate of interest on the said banking facility account/s either on the entire outstanding or a portion thereof as the Bank may fix for any irregularity, non-compliance, of/by the Borrower or any breach of the terms and conditions hereof or of those set out under sanction advice and for such period as such irregularity or breach continues or for such time as the Bank may deem it necessary, regard being had to the nature of the irregularity or breach. Provided that the charging and payment of such additional interest/enhanced rate of interest shall be without prejudice to the other rights or remedies of the Bank either hereunder or under any law, rules or regulations to proceed with or exercised by the Bank for such irregularity or breach against the Borrower and or the security hereby created, and it is hereby agreed by the Borrower that the provision herein contained for payment of higher rate of interest shall not entitle or be deemed or construed to authorize the Borrower to delay or postpone payment of the moneys hereunder or any part thereof and/or interest on their respective due dates.

4.4 In the event of the Borrower not paying any amount due on account of interest, fees, costs, charges and expenses payable from time to time under these presents the Bank shall be at its discretion entitled to debit or charge such interest amount(s) to any of the banking facility account(s) namely the overdraft account, cash credit account, current account or any other account of the Borrower. Any amount(s) so debited to the overdraft account, cash credit account, current account or any other account of the Borrower with the Bank shall form part of the account(s) to which such amount(s) is/are debited and shall carry interest at the rate or rates in force at the relevant time applicable to the account(s) to which the amount(s) is/are so debited.

4.5 The Borrower agrees to pay and shall pay to the Bank commission, fees on the bills of exchange accepted /agreed to be accepted / discounted within the specified limits and the guarantees issued/agreed to be issued and deposit/keep deposited with the Bank margin money at such rate or rates as the Bank may specify from time to time by notice in writing to the Borrower and the rate/s so specified shall be deemed to be the rate/s expressly agreed to by the Borrower and as if mentioned in these presents and the security hereby created shall be deemed to be securities created for securing such bills of exchange and Guarantees from time to time within the specified limit as mentioned in the sanction advice.

5. The Borrower shall on demand pay at CFS, Pune to the Bank, all moneys including principal sums, interest additional interest, further interest, penal interest, commitment charges, commission, fees costs, charges, expenses and other moneys whatsoever due, owing or payable by the Borrower in respect of or in any wise concerning or relating to the banking facility/facilities granted/agreed to be granted/continued by the Bank to the Borrower as aforesaid including those incurred by the Bank for the preservation, protection, defence and perfection of the security hereby created or for attempted or actual realisation or enforcement thereof with interest as provided under these presents, all of which moneys including principal sums, interest, additional interest, further interest, penal interest, commitment charges, commission, costs, charges, expenses and other moneys whatsoever at any time and from time to time due to the Bank, whether debited to the account(s) or not, are herein collectively referred to as "the balance due to the Bank" which expression shall, wherever the context so admits include any of them or any part thereof.

6. In consideration of the Bank having granted/agreed to grant/continue to grant banking facilities or accommodation to the Borrower upto an aggregate maximum limit of Rs. 200/- crores (Rupees two hundred crores) as aforesaid, the Borrower hereby hypothecates to and charges in favour of the Bank:-

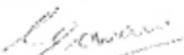
a) All its stocks of raw materials, semifinished and finished goods, both present and future and more particularly described in Item I of the Second Schedule hereunder written.

b) All the present and future book-debts, outstanding moneys, receivables, claims, bills, choses in action, contracts, engagements and securities of the Borrower and more particularly described in Item II of the Second Schedule hereunder written.

c) The specific items of movable machinery/vehicles/crafts etc. as more particularly escribed in Items IV of the Second Schedule hereunder written to secure the Cash Credit/ Loan/s Deferred Payment Guarantee/s facility granted/agreed to be granted by the Bank to the Borrower.

d) Subject to the exclusive/prior charge created/agreed to be created on the specific items of movable machinery/vehicles/crafts in respect of the Cash Credit/ Loan/s /Deferred Payment Guarantee/s facility sanctioned to/availed by the Borrower with the consent of the Bank (details of which specific movable machinery/vehicles/crafts the Borrower hereby undertake to provide to the Bank), all the movable machinery/vehicles/crafts of the Borrower, both present and future, and more particularly described in Item III of the Second Schedule hereunder written. (All of which Stocks, Book-Debts, Movable Machinery /Vehicles/Crafts of the Borrower are hereinafter collectively referred to as "the Hypothecated Premises") as security by way of first charge for due payment on demand of the balance due to the Bank in respect of account/accounts of the facilities/accommodations granted to the Borrower by the Bank as aforesaid.

For GHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

7.1 The Borrower shall at all times during the continuance of this security keep and maintain such margin of security in favour of the Bank (hereinafter called "the said margin") as mentioned in the First Schedule hereto or such other percentage(s) as the Bank may from time to time determine of the cost or market value (market value as found by the Bank) whichever is lower of the Hypothecated Premises or part thereof.

7.2 The Bank shall be entitled to and shall be at liberty to change from time to time the said margin(s) and the Borrower shall be bound by such change.

7.3 The Borrower will at all times maintain a sufficient quantity of the assets constituting Hypothecated Premises to provide the necessary margin(s) on security as specified herein and as may be required by the Bank from time to time and will forthwith, whenever necessary, provide further assets approved by the Bank to restore such margin(s) or reduce the amount for the time being due to the Bank by cash payment so as to maintain the said margin(s).

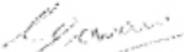
7.4 Except for the purpose of sale or dealing in the ordinary course of business the Borrower shall not, so long as any moneys remain due to the Bank, except with the prior approval in writing of the Bank and subject to the margin of security required by the Bank being fully maintained, remove or cause to be removed any of the Hypothecated Premises or divert or dispose of or cause or permit any of the Hypothecated Premises in transit to be diverted or disposed of or otherwise deal with any of the Hypothecated Premises and that the realisation / proceeds of sale of any of the Hypothecated Premises as soon as received shall be paid over to/appropriated by the Bank in satisfaction of the balance due and owing on the said facility accounts or any of them as hereinafter provided but not to any other party without the prior written consent of the Bank and till then all sale proceeds and realisations howsoever in respect of the Hypothecated Premises shall be held by the Borrower in trust for the Bank as the Bank's exclusive property for appropriation to the said facility/accommodation or account(s) PROVIDED that the Borrower shall not make any sale of or recover, transfer, assign, dispose of or deal with any of the Hypothecated Premises upon being prohibited in writing by the Bank from doing so.

8.1 The Borrower shall whenever and as often as required by the Bank furnish to the Bank full particulars of all the assets of the Borrower and of the Hypothecated Premises and shall allow the Bank or its authorised agents to take inspection thereof and of all records, books and vouchers pertaining thereto and will produce such evidence as the Bank may require as to the cost and value of the said assets and/or the Hypothecated Premises. The Borrower shall display sign board/s with words "Hypothecated to Bank of Baroda" inscribed thereon, at the place/s where the Hypothecated Premises or any part thereof may be lying or be stored by the Borrower for the time being or from time to time.

8.2 The Borrower shall value the Hypothecated Premises at the appropriate rates whether fixed by the Bank or not and shall not over value the same. In any case, the Bank shall be at liberty from time to time and at any time to have any of the Hypothecated Premises inspected and valued by an appraiser or valuer appointed by the Bank which value shall be conclusive and binding on the Borrower both in and out of court.

8.3 The fees, costs, charges and expenses of such inspection, appraisal or valuation (the Bank's statement in regard thereto being conclusive) shall be borne and paid by the Borrower to the Bank on demand and shall if not so paid, be debited by the Bank to any of the said banking facility account(s) namely cash credit, loan, overdraft or current account/s or any other account of the Borrower with the Bank and shall form part of the moneys hereby secured.

For GHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

9.1 The Hypothecated Premises shall be kept at the Borrower's risks and expenses and the Borrower shall at its own expenses during the continuance of this security keep the Hypothecated Premises in good and marketable condition and in proper working order and shall likewise at its own expense insure and keep insured in the name of the Bank the Hypothecated Premises against loss or damage by fire, theft, pilferage, robbery, riot, civil commotion, earthquakes, malicious damages and all such other risks as the Bank shall require for the full market/replacement value thereof by an insurance company or companies approved by the Bank and shall deliver the policies of insurance to the Bank and shall likewise deliver receipts for the last premium paid for every such policy of insurance and if in the name of the Borrower, the Borrower shall assign and deliver to the Bank every such policy of insurance and shall pay to the Bank all proceeds of any policy received by the Borrower during the continuance of this security and shall renew, keep in force and maintain such insurance throughout the continuance of this security and deliver to the Bank the renewal receipts and policies. In default the Bank may (but shall not be bound to) effect or renew such insurance. Any premium paid by the Bank and any such costs, charges and expenses incurred by the Bank shall be repaid by the Borrower on demand forthwith and shall until repayment with interest at the rate aforesaid, be a charge on the Hypothecated Premises. The Bank shall be entitled without prejudice to all their other rights and powers to debit the amount of such premium, costs, charges and expenses to any of the banking facility or account(s) namely the cash credit/overdraft or any other account(s) of the Borrower in such manner as the Bank deems fit. All sums received under such insurance shall be applied in or towards liquidation of the amount for the time being due to the Bank as provided herein.

9.2 The Bank shall be entitled to adjust, settle and compromise in any manner whatsoever, including by reference to arbitration, at the Borrower's cost any dispute arising under or in connection with any such policy of insurance and such adjustment, settlement, compromise and any award made or decision given in such arbitration or otherwise shall be valid and binding on the Borrower and the Bank shall also be entitled to all moneys payable under any such assurance or under any claim made thereunder and to issue a valid receipt therefore and that the amounts so received shall be credited to any of the banking facility account(s) namely the cash credit/overdraft/current or any other account(s) of the Borrower and that the Borrower will not raise any dispute that a larger sum might or ought to have been received or be entitled to raise any dispute for the balance in any of the said accounts after such credit, provided that the Bank may at its own discretion waive any of the requirements as to insurance, to such extent and in such manner as it may deem fit.

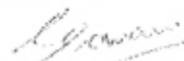
9.3 The Borrower shall pay all rents, rates, taxes, payments and out goings in respect of any immovable property in or upon which the Hypothecated Premises or any part thereof may for the time being be lying and shall keep such property insured against loss or damage by fire and shall also insure the same against such other risks as the Bank shall require and shall produce the policies of insurance to the Bank whenever required by it.

10.1 The Borrower shall make best endeavors to obtain payment of all the debts and assets forming part of the Hypothecated Premises as and when the same shall become payable and pay all such sums when received into any of the banking facility account(s) namely cash credit/overdraft or any other account(s) with the Bank. Further, the Borrower shall not, except in the ordinary course of business, receive, release or compound any of the said debts and assets without the consent in writing of the Bank and will not do anything whereby the recovery thereof may be impeded, delayed, prejudiced, prevented or becomes time barred.

10.2 The Borrower shall keep proper books of accounts of the business and carefully keep and preserve all the documents, papers and vouchers in connection with or relating to or which prove or are likely to prove the debts forming part of the Hypothecated Premises or any part thereof and will at any time when required produce such books, documents, papers and vouchers for the inspection of the Bank and its officers and agents and allow them or it or him access thereto and to make copies of or extracts from the same.

10.3 Save and except as herein specifically provided for, the Borrower shall not create any further or any additional charge on the hypothecated premises without the written consent of the Bank first had and obtained.

For GHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

11.1 If the Borrower shall fail to pay on demand any money which ought to be paid by it hereunder or shall commit any breach of any agreement or declaration on their part herein contained or shall fail to observe or perform any of the terms and conditions or covenants herein contained or if any circumstance shall occur, which in the sole judgment of the Bank, is prejudicial to or imperils the security or if any distress or execution is levied or enforced against any property or assets whatsoever of the Borrower or if any person, firm or company shall take any steps towards appointment of a Receiver of any property or assets whatsoever of the Borrower or if such Receiver is appointed or if any person, firm or company shall apply for or obtain an order for the winding up of the Borrower or if any such order is made or if any step is taken by any person towards passing any resolution to wind up the Borrower's company or if any such resolution shall be passed or if the Borrower shall cease to carry on business or to conduct its business to the satisfaction of the Bank or if any person firm or company shall take any steps for adjudication of the Borrower as insolvent or if any such adjudication is made then and in any such case, it shall be lawful for the Bank through any of its officers/agents to enter into or upon the factory or any Godown, jatha or any of the place/s of storage of the Borrower where any of the Hypothecated Premises may be lying or stored or kept and to inspect/value insure and/or to take charge of and/or to seize, recover, receive, appoint Receivers and/or take possession of all or any of the Hypothecated Premises and the books of account and other documents relating to the debts and assets forming part of the Hypothecated Premises inter-alia by putting its locks on godowns and other premises where the said goods or account books and other documents relating to the debts and assets forming part of the Hypothecated Premises are lying or kept and thereupon either forthwith or at any time and from time to time and without any notice either by public auction or tender or private contract or tender, sell and dispose of all or any part of the Hypothecated Premises in such manner as the Bank shall think fit and also to give notices of demand to the Borrower's debtors and third parties liable therefore, sue for, recover, receive and give effectual receipt for the same and sell and realise by public auction or private contract and transfer, assign or otherwise dispose of or deal with all or any part of the Hypothecated Premises. Without prejudice to the foregoing powers, if necessary, the Bank shall at the Borrower's risk and expenses be entitled to act either as attorney for and on behalf of and in the name of the Borrower or otherwise as the Bank may deem fit (the Borrower hereby appointing the Bank as its attorney). The Bank shall be entitled to deduct and appropriate from the proceeds realised as aforesaid all expenses in connection with the exercise of the aforesaid powers and to appropriate the net proceeds towards the balance due to the Bank in any of the account(s) pertaining to the banking facilities.

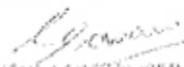
11.2 The Borrower irrevocably appoints the Bank to be the Attorney of the Borrower and in the name and on behalf of the Borrower to execute and to do any assurances and things which the Borrower ought to execute and do under the covenants herein contained and generally to use the name and seal of the Borrower in the exercise of all or any of the powers hereby conferred on the Bank or any Receiver appointed by the Bank.

11.3 The Bank shall also be at liberty to enforce, realise, recover, settle, compromise, refer to arbitration and for the purpose deal in any manner with any rights or claims which may be set up in respect of the Hypothecated Premises, to complete any engagements and carry on the business of the Borrower through agents, managers, nominees or otherwise without being bound to exercise these powers. The Bank shall not be liable in the event of the exercise of any of the aforesaid powers for any involuntary loss which may occur in or arise from such exercise and such exercise shall be without prejudice to any other rights and remedies and notwithstanding any pending suit or other, proceedings relating to the Hypothecated Premises. Notwithstanding that there may be any pending suit or other proceedings, the Borrower hereby undertakes to transfer and deliver to the Bank all relative contracts, securities, bazaar chits, bills, notes, hundles and documents. The Borrower shall accept the Bank's account of sales and realisation as conclusive and shall forthwith pay to the Bank on demand any shortfall or deficiency thereby shown. And if the net sum realised by such sales is not sufficient to pay the amounts secured, the Bank shall be at liberty to apply any other money or moneys in the hands of the Bank standing to the credit of or belonging to the Borrower in or towards the payment of the balance due to it, AND in the event of there being still some deficiency, the Borrower shall forthwith pay/make good such deficiency provided that nothing herein contained shall in any manner prejudice or affect the rights and remedies of the Bank against the Borrower.

11.4 The Borrower shall not be in any way concerned with the proportion in which any moneys realised and applicable under these presents are appropriated towards the balance due to the Bank and shall not have any claim whatsoever against the Bank in relation to any act or thing done, omitted, permitted or suffered by the Bank in regard to the appropriation of any money applicable as herein provided.

11.5 As and when the Bank seeks to enforce the securities and take possession of the Hypothecated Premises hereunder the Borrower shall comply with all such directions as may be given by the Bank and afford every facility for placing and keeping the Bank in exclusive possession, custody and control of the Hypothecated Premises, and the books of account and other documents relating to the debts and assets forming part of the Hypothecated Premises, In such manner that such possession, custody and control shall be apparent and indisputable. It is hereby further agreed that if and when the Bank exercises its right to demand payment of the moneys due to it or take possession or assignment of the Hypothecated Premises and the books of accounts and other documents relating to the said debts and assets, the Borrower until actual delivery or assignment thereof to the Bank shall be deemed to be in possession of the same as agent of the Bank but entirely at the risk and costs of the Borrower. Provided always and it is expressly agreed and declared that even after the Bank shall have taken possession of the Hypothecated Premises and/or the books of accounts and other records, documents, etc. relating to the said debts and assets in enforcement of the securities or the Bank has got appointed or caused to have appointed a Receiver thereof or shall have taken any other action in exercise of the powers or any of them hereby conferred on the Bank, the Bank shall be entitled to store the said goods and the books of accounts and other records, documents, etc. relating to the said debts and assets in the Borrower's premises where they may be lying until the full and complete enforcement and realisation of the security and the Borrower shall be liable to and shall bear and pay on demand the cost of storing the Hypothecated Premises and the books of accounts, records, documents, etc. relating to the said debts and assets in such premises including the rent or compensation payable for such premises and the salary and remuneration of watchman and other personnel that may be engaged for security, preservation and handling of the Hypothecated Premises and the books of accounts and other records, documents, etc. relating to the said debts and assets. It is agreed that the Borrower shall not until realisation of the security created in favour of the Bank adversely deal with such premises belonging to or occupied by the Borrower nor the Borrower's right thereto. The Bank shall also be entitled to hire or acquire storage space in any other premises and to engage watchman and other personnel as aforesaid and the Borrower shall pay the rent or compensation payable for or in respect of such other premises and salary of watchmen and other staff on demand to the Bank and in default the Bank may pay the same but until repayment by the Borrower of such rent or compensation and other moneys to the Bank the same with interest thereon at the rate provided for shall be charged upon the Hypothecated Premises.

For GHARAT BUSINESS CHANNEL LIMITED


ELECTRONICALLY SIGNED SIGNATORY

11.6 Among such directions as aforesaid, the Bank may without incurring any responsibility for the consequence provide for the following

- a) that the Hypothecated Premises shall be stored in such Godown or other places of storage and the books of accounts or other records be kept and maintained at such place/s as the Bank shall direct;
- b) that the register(s) shall be kept of the Hypothecated Premises brought in or removed from any Godown or other place of storage. Such register(s) shall be open for inspection to the Bank at all times and shall always be considered to be the property charged to the Bank;
- c) For the placing of private identification marks/numbers of the Bank on any of the Hypothecated Premises stored in any such Godown or other place/s of storage.

11.7 From and after the Bank shall have taken possession the Hypothecated Premises or any part thereof and/or the books of accounts and other records, documents, etc. relating to the debts and assets shall not be removed from the said Godown/s or other place/s of storage except on production of delivery order(s) signed by the Bank or any of its officials authorised in this behalf.

11.8 From and after the Bank shall have taken possession, the Borrower shall be solely responsible In all respects and the Bank shall not in any way be responsible for or in respect of the quantity, quality or condition or final turn-out or for loss, destruction or deterioration of the Hypothecated Premises, books of accounts, vouchers, papers and other records relating to the debts and assets or damage thereto occasioned by theft, pilferage, robbery, fire, riot, strikes, civil commotion or otherwise howsoever whatever may be the circumstances or the reasons under or for which such loss, destruction, deterioration, or damage may arise including any act, omission, negligence or default of the Bank or any of their servants or agents.

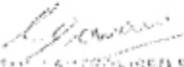
11.9 The Borrower shall accept without question the accounts of such sale or sales or other transactions signed by any agent or other authorised officer of the Bank as sufficient proof of the amount realised or due under the sale or sales or transactions and the costs, charges and expenses incurred in connection therewith.

11.10 The Bank shall have all other powers incidental to and necessary for the realization of its security under these presents

11.11 On the sale by private contract or public auction under the provisions of sub-clause (1) hereof, the Bank shall be entitled to charge and retain as part of the costs, charges, and expenses incurred in connection therewith such commission as the Bank shall in its sole discretion fix and shall not be liable to account for the same to the Borrower. Such commission shall be in addition to any brokerage or out goings payable In respect of any such sale. If the sale proceeds are not sufficient to pay the amount of such commission the Borrower shall pay the same forthwith to the Bank on demand.

11.12 The Borrower shall Indemnify and always keep indemnified the Bank against all losses, damages, claims demands, charges and expenses In respect of the Hypothecated Premises sustained by or made against the Bank.

For GHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

12. In case the Bank does not consider it necessary or desirable for any reason either to exercise any authority or power hereby exercisable by the Bank and/or to take action in pursuance of the foregoing clause-11 or in the event of its not exercising such power or authority or to take any action in pursuance of that clause the bank shall so far as regards the Borrowers be at liberty to exercise any power or authority exercisable hereunder by the Bank including to file any suits or legal proceedings for recovery of its dues from the Borrower and to take steps to realise or enforce the security hereby created in favour of the Bank either by sale or otherwise and either through the intervention of the court or by appointing a receiver or in any other manner howsoever as it thinks fit and may close the said account (s) with it relating to the banking facilities.

13. All moneys resulting from the enforcement and/or realisation of the securities, i.e. Hypothecated Premises or any part or portion thereof or otherwise, howsoever, and the amounts realised under any policy or policies of insurance or any compensation moneys for acquisition or requisition of the securities or any of them or any part thereof or any other realisation from the said securities either by enforcement or otherwise and whether the same is received or realised by the Bank directly or by any Receiver appointed in any suit filed by it shall be applied with all convenient despatch in the manner hereinafter provided.

Firstly:

There shall be paid out of such moneys or provision made thereout for all costs, commission, charges and expenses paid or incurred and to be paid or incurred by the Bank and/or any Receiver, agent or manager for or incidental to the enforcement of the said securities or realisation or receipt of such moneys.

Secondly:

The balance shall be applied in liquidation of the respective amounts due for interest, additional interest, further interest, penal interest due to the Bank in the said account (s) in respect of the banking facilities.

Thirdly:

(i) In the event of the moneys available being sufficient to pay the principal moneys due to the Bank then the same shall be applied towards payment of the principal moneys in respect of the facilities given and/or continued, in full PROVIDED THAT an amount equivalent to the moneys that may become payable to the Bank in respect of any contingent liability or liabilities under any facility or facilities given under these presents and secured by the security created hereunder shall be kept aside by the Bank in a separate account to be opened with the Bank and shall be appropriated towards reimbursement to the Bank in the event of the said contingent liability/ies arising or becoming due and payable and are paid by the Bank.

(ii) In the event of the said contingent liability or liabilities not arising or becoming due and payable the amount allocable to liability or liabilities which is/are not required to be paid by the Bank shall be treated as part of the surplus realisation from the hypothecated security. The surplus realisation, if any, from the hypothecated security including any surplus becoming available on account of any contingent liability or liabilities not arising or becoming due and payable as aforesaid shall be applied for repayment to the Bank of all other debts and liabilities of the Borrower due and payable to the Bank on any other account or accounts whatsoever whether actually or contingently, alone or jointly with other/s and whether as principal or surety (iii) In the event of moneys so available being insufficient to pay to the Bank all the moneys due to it as provided in (i) above the Borrower shall be liable forthwith on production to the Borrower of an account to be prepared and signed as provided herein (which shall be conclusive) to pay the balance appearing due to the Bank. Without prejudice to the obligation of the Borrower, the Bank shall be entitled (but shall not be bound) to apply any other money or moneys in the hands of the Bank standing to the credit of or belonging to the Borrower towards satisfaction of the balance then remaining due to the Bank.

Provided however, that in respect of moneys due in cash credit account, or accounts of the Borrower, the principal sum shall be treated inclusive of interest accumulated and applied to such account and amount due at the foot of the account without any distinction thereof from principal as per prevailing Banking practice.

14. Pending seizure and/or taking possession of by the Bank, all the Hypothecated Premises and all proceeds of sale or other realisations and proceeds of Insurance thereof and all documents under this security shall always be kept distinguishable and held as the exclusive property of the Bank specifically appropriated to the security to be dealt with only under the directives of the Bank and the Borrower shall not without the prior written permission of the Bank create any mortgage, charge, lien or encumbrance upon or over or affecting the same or any part thereof.

For GHARAT BUSINESS CHANNEL LIMITED


AUTHORIZED SIGNATORY

15.1 The Borrower shall promptly submit to the Bank particularly monthly or as often as may be required stock statements and also statements of book-debts and particulars of other Hypothecated Premises together with the list of current insurance policies and amounts insured verified by certificates of the Borrower or the Manager for the time being of the Borrower that the quantities, amounts, value and marks stated in the statements are correct and that all the tangible assets are fully covered by insurance and containing such other certificates and particulars as may be specified by the Bank and will also furnish and verify all financial and other statements, reports, returns, certificates, accounts, documents, particulars and information and such other periodical data as may be required by the Bank.

15.2 The Borrower will also execute all documents, transfers, assignments and endorsements and do all acts, deeds and things which the Bank may require for vesting the Hypothecated Premises or any of them in favour of the Bank and to render the same readily realisable or transferable by the Bank at any time and also for giving full effect to this security.

15.3 The Borrower hereby irrevocably appoints the Bank to be attorney of and for and in the name of the Borrower to do all such acts, deeds and things and execute all such documents, transfers, assignments, endorsements whatever which the Borrower may be required by the Bank to do or execute under or in respect of this Agreement in the event of the Borrower failing to do so within a week from the date of demand by the Bank for such purposes.

16. The security hereby created shall be a continuing security for the balance from time to time due to the Bank on the said banking facilities and for all moneys, indebtedness and liabilities hereby secured, and none of the accounts in respect of the said banking facilities is to be considered to be closed for the purpose of this security and the security is not to be considered exhausted by reason of the said accounts or any of them being brought to credit by payment made into the said account(s) at any time or from time to time or of its/their being drawn upon to the full extent or its/their being reduced or extinguished and afterwards reopened.

17. Subject to the provisions of clause-14 hereof, any general or special lien to which the Bank is or may be by law or otherwise entitled or any rights or remedies of the Bank in respect of any present or future indebtedness or liabilities or guarantee obligations of the Borrower to the Bank shall continue to be in force and effect and It shall be open to the Bank to enforce or have recourse to such rights or remedies or securities without being bound to enforce any security, rights or remedies under this Agreement.

18. The Borrower hereby covenants with the Bank that all the Hypothecated Premises are the absolute property of the Borrower at the sole disposal of the Borrower and free from any prior charge or encumbrance and that all future stocks, debts, assets and properties that will be hypothecated shall be likewise the unencumbered and absolute and disposable property of the Borrower.

19. The Borrower shall carry on the entire banking transactions of its business through the Bank only wherever they are having their office. Such banking business of the Borrower at other centres also shall, as far as practicable, be placed with the Bank.

20. The Borrower shall at the beginning of each quarter in the calendar year advise the Bank the aggregate amount that the Borrower proposes to draw from the Bank during the quarter and upon being advised by the Bank of its commitment, the Borrower shall pay to the Bank any commitment charge that may be agreed upon from time to time between the Borrower and the Bank. In default of such payment, the Bank may without prejudice to its rights hereunder debit the amount of such commitment charge to any of the banking facility account(s) namely the cash credit/overdraft or any other account(s) of the Borrower and the same shall thereupon form part of the moneys hereby secured.

21. The Borrower has and shall continue to have the necessary powers to enter into this agreement and do all things incidental thereto and the Bank shall not be bound to enquire into the powers of the Borrower and this security shall not be affected by reason of absence or deficiency or excess or irregularity in the exercise of any powers of the Borrower.

22. The officers or agents or nominees acting or purporting to act on behalf of the Borrower in this respect and executing these documents have and shall continue to have the necessary powers from the Borrower and further that the Bank shall not be bound to enquire into the powers of any officer or agent acting or purporting to act on behalf of the Borrower and this security shall not be affected by reason of absence or deficiency or excess or irregularity in the exercise of any powers of any such officers or agents aforesaid.

For GHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

23. Any delay in exercising or omission to exercise any right, power or remedy exercisable by the Bank under these presents shall not impair any such right, power or remedy or be construed to be an acquiescence in any default, nor shall the action of the Bank in respect of such default or any acquiescence affect or impair any right, power or remedy of the Bank in respect of any other or subsequent default.

24 This Agreement shall not prejudice the rights or remedies of the Bank against the Borrower irrespective and Independent of this Agreement in respect of any other advances made or to be made by the Bank to the Borrower. The Borrower agrees that in the event of the Bank receiving intimation from the Reserve Bank of India of any default by the Borrower in payment of any one or more instalments of the loan and /or interest due and payable to any financial institution/s from whom the Borrower has taken any advance or otherwise borrowed any moneys, the Bank shall be entitled to stop any further operations by the Borrower in the said banking facility account(s) and the Bank shall be at liberty to refuse to make payment of cheque/s drawn by the Borrower to the debit of such account(s) and the Borrower shall not hold the Bank responsible or liable in any manner by reason of the Bank's refusal to make payment of such cheque/s and the Borrower further agrees that in the event of there being any fixed deposit account, recurring deposit account or any time deposit account with the Bank in the Borrower's name, the Bank will be at liberty to withhold payment to the Borrower of the amount/s deposited with the Bank on the date/s of maturity thereof and the Bank will be entitled in its sole discretion to appropriate the balance or proceeds of such deposit account/s on or before maturity and towards any advance/s granted by the Bank to the Borrower or remit the balance in any of the said facility accounts or the proceeds of such deposit accounts as the case may be, to any financial institution/s from whom the Borrower may have taken advance or borrowed moneys and has defaulted in making payment thereof or interest thereon as aforesaid.

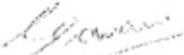
25. Any demand or notice to be made on or given to any party hereto may be made or given by leaving the same at or posting the same by registered post in an envelope addressed to such party at its Registered Office or Head Office or Local Head Office as the case may be and every such demand or notice shall be deemed to be received at the time at which it is left or at the time at which it would have been delivered in the ordinary course of post at the Registered/Head/Local Head Office in question.

26. The Borrower shall pay on demand to the Bank the costs between attorney/advocate and client incurred by it in connection with the preparation, engrossment and stamping and execution of this Agreement and of any guarantee or other security executed contemporaneously herewith in connection with the advance hereby secured and of the registration of this security with any authority pursuant to any provision of law and all other costs (between attorney/advocate and client) incurred/to be incurred by the Bank in connection herewith or with the enforcement or realisation of the security or attempted enforcement or realisation of the security hereby created or the protection or defence or perfection thereof or for the recovery of any moneys hereby secured and of all suits and proceedings of whatsoever nature for enforcement or realisation of the security hereby created or the recovery of such moneys or otherwise in connection herewith or in which the Bank may be joined as party or otherwise involved by reason of the existence of the security hereby created.

27. If the Borrower be more than one individual, all shall be bound hereby jointly and severally and if the Borrower be a firm such firm and all members from time to time thereof and all retiring members shall be bound hereby notwithstanding any change in the constitution or style thereof and whether the firm shall consist of or be reduced to one individual. No changes whatever that may take place in the constitution of the Borrower or the Bank (whether by amalgamation or otherwise) shall impair or discharge the liability of the Borrower hereunder. The Borrower, if a firm shall not, however, make any change in the firm without previous reference to the Bank.

28. It is hereby further Agreed by the Borrower that the sanctioning letter/s issued by the Bank sanctioning the banking facilities shall always be deemed to form part of these presents and be deemed to be incorporated herein provided that in the event of any conflict between such sanction letter/s and these presents the provisions of this Agreement shall prevail and take precedence.

For GHARAT BUSINESS CHANNEL LIMITED


EMPLOYEES AUTHORIZED SIGNATORY

29. The Borrower hereby unconditionally and irrevocably agrees as a condition of such banking facilities/ accommodations extended to the Borrower by the Bank that in case the Borrower commits default in the repayment of such facilities/ accommodations or in the payment of interest thereon or any of the agreed instalment of the loan on due date, the bank and / or Reserve Bank of India will have an unqualified right to disclose or publish the Borrower's name or the name of its company / firm / unit and /or its directors / partners / proprietors as defaulter/s in such manner and through such mediums the Bank or Reserve Bank of India in their absolute discretion may think fit.

FIRST SCHEDULE

Nature of Banking Facility	Limit	Rate of Int./ Commission	Security Stipulated	Margin of security
Term Loan	RS 200/- Crs	4.25% over Base Rate (Base rate 10.25% at present)	First Pari Passu Charge on entire current assets, present and future of the company.	50.23% of total project cost by the end of project i.e 31.0.3.2015

SECOND SCHEDULE

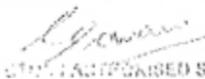
I. The whole of the Borrower's stocks, both present and future and including but without prejudice to the generality of the foregoing words, all stocks of raw materials, work-in- process, semi-finished goods and finished goods such as all Current assets, Stock, book Debt, receivables, packing materials and stores etc. whatsoever and wheresoever situated and/or in transit whether now belonging to or that may at any time during the continuance of this security belong to the Borrower or that may be held by any party anywhere to the order and disposition of the Borrower.

II. All the present and future book-debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities which are now due and owing or which may at anytime hereafter during the continuance of this security become due and owing to the Borrower in the course of its business by any person, firm, company or body corporate or by the Government of India or any State Government or Indian Railways or any Government Department or Office or any Municipal or Local or Public or Semi-Government body or authority whatsoever including those relating to the assets leased out and/or given on hire purchase basis.

III. All the tangible movable machinery and plant and cranes, boats and crafts and the vehicles of the Borrower together with spares, tools and accessories and other movables, both present and future, and the furniture, fixtures and fittings and office equipment whether installed or not and whether lying loose or in cases which are now lying or stored in or about or shall be brought into or be stored or be in or upon or about the Borrower's premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Borrower (including those on lease or hire-purchase) relating or pertaining to the Borrower's works at Plot No-1-D, Udyog Vihar, Industrial Area, Greater Noida, Distt.- Gautam Budh Nagar, Uttar Pradesh.

In witness whereof the Borrower has set and subscribed its hand/affixed its seal hereto on the day and the year first herein above written.

For GHARAT BUSINESS CHANNEL LIMITED


 AUTHORIZED SIGNATORY



[\(Back To Top\)](#)

Section 17: EX-10.11 (EXHIBIT 10.11)

Exhibit 10.11



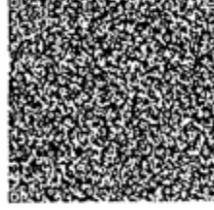
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL86571016259220L
Certificate Issued Date	: 05-Mar-2013 11:34 PM
Account Reference	: IMPACC (IV) dl736003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL73600372835040661304L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article 5 General Agreement
Property Description	: NA
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: NA
Stamp Duty Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 100 (One Hundred only)



.....Please write or type below this line.....

This stamp Paper forms an integral part of
Common Hypothecation Agreement- Dated 11th March,
2013 Executed by Bharat Business Channel Ltd
in Favour of Canara Bank.

भारत बिजनेस चैनल लिमिटेड

Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorized Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilstamp.com"



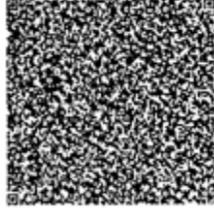
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL86571098862092L
Certificate Issued Date	: 05-Mar-2013 11:34 PM
Account Reference	: IMPACC (IV)/ d/736003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL73600372834991524441L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article 5 General Agreement
Property Description	: NA
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: NA
Stamp Duty Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 100 (One Hundred only)



.....Please write or type below this line.....

This stamp paper forms an integral part of
Common Hypothecation Agreement Dated 11th March,
2013 executed by Bharat Business Channel Ltd.
in favour of Canara Bank.

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COMMON HYPOTHECATION AGREEMENT

THIS AGREEMENT made this 11th day of **March 2013** BY **M/S Bharat Business Channel Limit** a company registered under The provisions of the Companies Act, 1956 and having its Registered Office at Aurangabad, Maharashtra (hereinafter referred to as "the Borrower" which expression shall unless repugnant to context thereof be deemed to include its successors and assigns) of the One Part

Canara Bank a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and having its head office at No. 112, J. C. Road, Bangalore -560 002 and a branch office at **Prime Corporate branch-I, Mumbai** hereinafter referred to as "the Bank" which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the Other Part

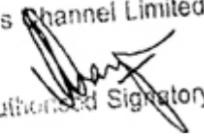
WHEREAS by an application dated **24.01.2013** the Borrower has requested the Bank to grant the Borrower Term Loan Cash Credit/Overdraft/letter of credit /co-acceptance facilities/DALC/DPG/guarantee facilities/ packing credit facilities/FDB/FBE/Other loan facilities (hereinafter referred to as "the said Credit Facility") as requested by the borrower, more fully described in Schedule - 4.

"AND WHEREAS in consideration of the Bank having advanced the said Credit facility more fully described in Schedule-4 upto a limit of Rs. 175.00 crore (Rupee One Hundred Seventy Five Crore) (here specify aggregate of limits) to the Borrower, the Borrower has agreed to provide security to the bank for the due repayment of moneys advanced to the Borrower by the Bank and all the cost, charges, expenses, and other moneys due and payable by the Borrower pursuant to the said credit facilities & in terms as mentioned hereinafter".

Construction of certain references

- (i) Words denoting one gender include other genders and words denoting the singular include the plural and vice versa.
- (ii) Words denoting persons, include corporations and vice versa.
- (iii) Where a word or phrase is given, a defined meaning in this Agreement, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning.
- (iv) All warranties, representations, indemnities, covenants, agreements and obligations given or entered into by more than one person in this Agreement are given or entered into jointly and severally.

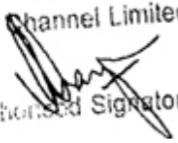
For Bharat Business Channel Limited
Director / Authorized Signatory



- (v) The Recitals, Schedules and Addendum to this Agreement Shall have effect and be construed as an integral part of This Agreement but in the event of any conflict or discrepancy shall for the purposes of interpretation and enforcement of this Agreement be resolved by :
- (a) giving the provisions contained in the clauses of this Agreement priority and precedence over the provisions contained in the Recitals, Schedules and Addendum of and to this Agreement; and
 - (b) giving the provisions in the Schedules of this Agreement priority and precedence over the provisions contained in the Recitals to this Agreement.

THE BORROWER/S HEREBY COVENANTS WITH THE BANK AS FOLLOWS:

1. So long as any moneys remain due and payable to the Bank under the said Credit Facility, the Borrower shall duly and punctually repay the Bank as follows:
- (i) The amounts advanced by the Bank on the due dates as stated in the Schedule 1 hereto together with the interest, additional interest, penal interest, charges, commission and other expenses as the Bank may specify from time to time.
 - (ii) The interest payable will be calculated based on the debit balance of the account at the rate of **2.75%** above the ongoing **IDBI Base Rate** with a minimum of **13.00%** per annum, (compounded at monthly rests) or such other rates as the Bank may specify generally from time to time on the notice board of the Bank / branch concerned for the general information of its customers; no specific notice will be given to the Borrower for any change in interest rates. And the rates of interest for different types of facilities are more fully described in Schedule IV found hereinafter
- The Borrower specifically agrees that it is not entitled to any reduction in the rate of interest agreed by it at the time of the sanction of the said Credit Facility and also that it is bound to pay any upward revision in the said rate of interest as made by the Bank from time to time.
- (iii) If the Borrower avails of Packing Credit Advances against cash incentives/ duty drawback entitlements of the Borrower, the Borrower shall provide full particulars of the entitlement against which the financial facility is sought in the proforma prescribed by the Bank and further the Borrower shall be liable to pay interest including compounding of interest on the sums advanced in accordance with the regulations as prescribed by Reserve Bank of India (RBI) from time to time.

For Bharat Business Channel Limited

Director / Authorized Signatory

The borrower agrees that it shall in order to avail of the Packing Credit Advances produce before the Bank inland and /or foreign letters of credit/ sales contract/ correspondence/ invoice etc. The extent of credit provided by the Bank shall be at its sole discretion and the Borrower undertakes to deposit a letter of credit and other documents as and when required by the Bank.

- (iv) If the Borrower avails of any other advance or facility which is regulated by RBI, interest (including compounding of interest) shall be payable and additional terms complied in relation thereto by the Borrower as may be prescribed by RBI and the Bank from time to time.
- (v) If the Bank applies for availing of refinance from the Industrial Development Bank of India (IDBI), Small Industrial Development Bank of India (SIDBI), National Bank for Agricultural and Rural Development (NABARD) or any other agency, bank or financial institution (hereinafter referred to as "the Agency") in respect of the said Credit Facility, the Bank shall be at liberty to furnish to the Agency any such information or report whether received from the Borrower or otherwise in the possession or knowledge of the Bank; further the Borrower agrees to pay the rate of interest and other charges including penal interest as the Agency may determine pursuant to a scheme or otherwise and to be bound by all such additional terms and conditions as may be stipulated by the Agency. Further, the Borrower agrees that the Bank will not be obliged to get any other documentation executed in regard to the additional terms and conditions as stipulated by the Agency .
- (vi) The Borrower shall comply with all the terms and conditions as prescribed by the Bank in respect of the letters of credit issued, guarantees provided or bills co-accepted as required in respect of any amounts payable by the Borrower for the goods required by it in the course of its business. Provided that the Borrower shall furnish information such as the supplier's/purchaser's name, nature of goods, quantity of goods, actual price of goods, the place from which the goods are to be supplied/purchased, the nature of the transport by which the goods will be transported and such other information as may be required by the Bank. In the absence of such information, the Bank shall not be bound to issue the guarantees/ co-accept the bills. Provided further that the Bank shall not be liable to pay charges such as handling, transport and other charges as required to be paid by the Borrower.

For Bharat Business Channel Limited
Director / Authorized Signatory

The Borrower shall repay the Bank such sums as paid by the Bank on the behalf of the Borrower in respect of the letters of credit, guarantees provided or bills accepted by it including duties such as customs duty, taxes and other levies in connection with the goods covered under the letters of credit, guarantee, bills co-accepted by the Bank and the Bank shall, in addition, debit the Borrowers account with interest and other charges as levied by the Bank. The security hereby created shall be available for the repayment of all such amounts debited to the account of the Borrower from time to time and the amount sanctioned by the Bank shall be enhanced to that extent.

- vii) a) In case the Borrower defaults in any of the covenants, payment of the instalments as specified in Schedule - 1 hereto or on the submission of stock statements or statements in respect of the book debts or other matters as required by the Bank from time to time, the Borrower shall be liable to pay penal interest at the rate of 2% per annum or such other rate as is specified by the Bank, from the date of default until due repayment and/or of satisfaction the Bank of the same in addition to and irrespective of any other consequences and remedies available to the Bank.
- b) The Borrower/s hereby agree/s as a pre-condition of the loan/advances given to it by the bank that in case the borrower/s commit/s default in the repayment of the loan / advances or in the repayment of interest thereon or any of the agreed instalment of the loan on due date/s, the bank and / or the RBI will have an unqualified right to disclose or publish its name/s and its directors / partners / proprietors as defaulter in such manner and through such medium as the bank or RBI in their absolute discretion may think fit.
- viii) The Borrower shall pay to the Bank the usual Bank charges, incidentals, commission and other outgoings as are required to be paid by the Borrower as a result of it availing of the said Credit Facility or other Bank transactions and which are debited to the account of the Borrower. These shall include reimbursement of expenses incurred by the Bank regarding guarantee, postage, telegram charges, fax charges, stamp duty charges etc.

For Bharat Business Channel Limited
Director / Authorized Signatory

- (ix) The Borrower shall pay to the Bank all charges in connection with the protection, observance and enforcement of the security or otherwise as hereby created by the Borrower in favour of the Bank or otherwise available to the Bank and all other costs, charges and expenses including legal and professional costs on Attorney - client basis (whether or not these are recoverable or chargeable to the other side), pay, allowances, overtime to godown keepers, chowkidar / watchmen and the travelling allowances of inspectors, managers, godown keepers and other officers for the inspection, protection and preservation of the security.
- (x) The Borrower agrees that if any amount as required to be paid by it is expressed in foreign currency, the Rupee equivalent would be determined at the prevailing rate of exchange on the date of payment of the amount.
2. In consideration of the aforesaid, the Borrower hereby hypothecates and charges in favour of the Bank by way of first charge as security for the due repayment of all the sums as specified in clause 1 above or otherwise due or payable hereunder:
- (i) all stocks of goods such as raw materials, goods in process, finished and manufactured goods and other items of stock in trade and stores, spares, components, machinery, vehicles, furniture and fixtures and all other movable goods and properties of every description of the Borrower wherever situated whether at the Borrower's factories, places of business, residence (if applicable), godowns or in transit or in the custody of processors, warehouse agents or others or wherever else the same may be situated, lying or being including any such raw materials, articles or goods, stores, spares, components, stock in trade and all description of moveable property in the course of delivery to the Borrower; and
- (ii) all of the Borrower's present and future book debts, outstanding moneys, bills receivable, claims, bills, contracts, securities, investments, cash, gold, silver, jewellery, rights and assets and rights relating to or in moveable properties of whatsoever nature to which the Borrower is entitled to during the continuance of this Agreement (all of which are mentioned in clause 2(i) above are more fully and particularly described in Schedule 2 hereto and hereinafter collectively referred to as "the said hypothecated articles").

The Borrower agrees that the Bank shall have the absolute right to decide whether, or not it will accept as security for the purpose of the said Credit Facility any of the goods, book debts, bills, receivables, contracts, securities, investments, rights and assets, movables and other properties of the Borrower whether by way of first / second charge.

For Bharat Business Channel Limited
Director / Authorized Signatory

3. The Borrower hereby declares, covenants and agrees with the Bank as follows :

- (i) that an account styled as **Term Loan** shall be opened in the books of the Bank at its branch at **Prime corporate branch - I ,Mumbai** or at any other branch of the Bank at the request of the Borrower with limit of Rs. **175.00 crore**. The Borrower shall maintain **NIL** margin of security as is stipulated by the Bank from such time to time. The Borrower shall not at any time operate or draw against the said account exceeding ___ % (or such other percentage as the Bank may fix from to time) of the cost or market value of the said hypothecated articles, whichever is lower. If and so often as the said margin shall fail to be maintained, the Borrower shall forthwith either hypothecate to the Bank further goods or tangible moveable property as approved by the Bank and being of sufficient value to make up the deficiency or shall reduce the amount for the time being due to the Bank by such cash payment into the said account so as to maintain the said margin;
- (ii) that the Borrower shall duly and promptly repay the moneys advanced in the manner provided in Schedule 1 hereto and all the interest, charges, commissions, penal interest, out goings and other sums due and payable by the Borrower to the Bank;
- (iii) that if the Borrower is a registered partnership firm or a society registered under the provisions of the Societies Registration Act, 1860 or the _____ Cooperative Societies Act, _____ all the partners/members and their respective heirs, executors, administrators and assigns of the deceased partners or members shall be bound hereby and jointly and severally liable to repay the moneys advanced by the Bank notwithstanding any change in the constitution or style thereof and whether such firm consists of or be reduced to one individual at any time; it is further agreed that the partners or members agree to hold themselves liable as aforesaid on balance confirmation letters and/or letters of acknowledgement of debt and security signed by one or more of them and no partner or member shall be absolved from liability unless specifically released and agreed to by the Bank;

* - Here indicate aggregate/total limits.

- (iv) that it shall not sell, release, compound or dispose off any of the said hypothecated articles without the express consent in writing of the Bank, except for such sales as required in the ordinary course of its business, but the Borrower shall on every such sale or on receipt of the documents or sale proceeds of such sale, deliver the documents or pay the net proceeds to the Bank towards reduction of the balance then due and owing on the said account, provided that the Borrower shall not be entitled to sell or dispose off or remove any of the said hypothecated articles even in the ordinary course of its business at prices lower than the cost prices of any item thereof;

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- (v) that the Borrower shall furnish to the Bank full particulars of all the assets of the Borrower and of the said hypothecated articles including any statements, accounts, reports, analysis, details and information and shall allow the bank or its authorised agents, valuers, advisers, attorneys, other authorised persons, employees and representatives to take inspection of the said hypothecated articles or any of them and it shall be lawful for the Bank at any time and from time to time and at all times during the continuance of this security and at the expense of the Borrower in all respects to value the security, to take inventories thereof and to take possession thereof either temporarily or permanently or for such periods as the bank think fit and to employ a person or persons or firm or company to inspect and evaluate on behalf of the Bank all or

any of the said hypothecated articles and the Borrower shall pay to the Bank on demand the fees or other remuneration payable to any such person, firm or company and the costs, charges and expenses of and incidental to such valuation (the Bank's demand being conclusive) and in default the Bank shall be at liberty to debit the amount thereof to the said account; any such valuation accepted by the Bank shall be conclusive against the Borrower; the Bank shall not be liable to pay damages for under/over valuation of the said hypothecated articles;

If the said hypothecated articles are stored in third party godowns, the Borrower agrees to produce the original lease/rent agreements in respect thereof and the Borrower agrees to renew such agreements as and when required pursuant to the terms of the agreement;

The Borrower undertakes to obtain a certificate from such third party stating that it shall have no lien or right over the said hypothecated articles;

- (vi) that the said hypothecated articles whether present or future, whether now belonging to the Borrower or which may be manufactured or acquired in the future are and shall be the absolute and unencumbered property of the Borrower with full and absolute power of disposition over all such goods including the right to hypothecate and /or create any charge thereon in any whatsoever manner and the Borrower undertakes not to deal with/ dispose of any part of the said hypothecated articles otherwise than in the ordinary course of business but the manner only in and to the extent stipulated herein;

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- (vii) That the Borrower shall furnish to the Bank periodically or as and when required by the Bank statement of accounts showing sales, purchases, receipts, and payments all other transactions and satisfy the Bank as to the correctness thereof and also expeditiously and at its own cost prepare and or obtain supply to the Bank any summary, analysis, details, documents, returns, certificates, information and other documents in relation to the said hypothecated articles as may be required by the Bank from time to time.
- (viii) That the Borrower shall get the said hypothecated articles valued by a professional valuer as agreed to by the Bank for the purposes of declaration, statement, averment and submit the valuation report to the Bank as and when required by the latter Provided that the Borrower shall ensure that the valuation shall be on the basis of the lower of the acquisition cost or the market value of each item thereof;
- (ix) that the borrower/s shall keep the said hypothecated articles insured against losses or damages by fire, floods, theft, burglary, riot, civil commotion and all such other risks as the Bank shall require for the full market value or book value thereof as the case maybe. The Borrower shall deliver the policies of insurance to the Bank and shall deliver the receipt for the last premium paid for every policy of insurance and shall assign to the Bank every such policy of insurance and hand over the renewal receipts thereof to the Bank and if the Bank for any reason insures or pays the premium, the Borrower undertakes to repay such amounts as paid by the Bank in respect of the insurance policies including any amount paid towards premium or otherwise; all sums received under such insurance policies shall be applied in or towards liquidation of the amount for the time being due to the Bank hereunder; the Bank shall not be under any obligation to lodge any claim under the policies of insurance within the time limits as stipulated under the insurance policies; the Borrower shall follow the instructions of the Bank if any, in case of any renewals of the insurance policies or making of claims or receipt of insurance moneys;

that the Borrower expressly under takes that it shall take all steps like initiation of filing claims, furnishing necessary information to the Bank/ insurance company so as to claim and rocover all sums recoverable under the policy to the satisfaction of the Bank and keep the Bank informed from time to time about any such claims filed in that regard;

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that the Borrower agrees that the Bank shall be entitled to adjust, settle and compromise in any manner whatsoever including by reference to arbitration at the Borrower's cost any dispute arising under or in connection with any such policy of insurance and such adjustment, settlement, compromise and any award made or decision given in any such arbitration award shall be valid and binding on the Borrower and the Bank shall be entitled to receive all monies thereunder and to issue a valid receipt, therefor and that the amounts so received shall be credited to the said account of the Borrower in respect of the said Credit Facility and that the Borrower will not raise any question that a larger sum might or ought to have been received or be entitled to raise any dispute on the balance in the account in respect of the said Credit Facility;

- (x) that the Bank shall not be under any obligation to lodge any claim under the policy within the time limit as prescribed under the policy of insurance and the Bank shall not be liable to the Borrower for not filing any claim or suit for recovery of the insured amount against the insurance company or any other person, the obligation to do so shall be the sole responsibility of the Borrower;

that the Borrower shall cause a board or label with the name of the Bank legibly and distinctly written, printed or painted thereon to be placed and at all times properly maintained and displayed in a conspicuous position upon and within all factories, places of business, godowns or other places of storage into or upon which any of the said hypothecated articles for the time being are stored or lying; if the Bank pays any sums towards the placement or maintenance of these boards or labels, the Borrower undertakes to reimburse the Bank in respect thereof;

- (xi) that the Borrower shall, if it is a company, register with the concerned Registrar of Companies pursuant to the laws relating thereto the particulars of the charge created hereunder and undertakes to file the necessary particulars in respect of the modification or satisfaction of the charge created hereunder;

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- (xii) that if the Borrower fails to pay on demand any moneys which ought to be paid by it hereunder or shall commit any breach of any obligation on its part or in case of the Borrower being a registered firm in case of any of the partners committing breach of any obligation herein contained or if it appears to the Bank that false or misleading information in any material particular was given in the application made by the Borrower or otherwise which in the judgement of the Bank is likely to prejudice or imperil this security or recovery of its dues hereunder or if any distress or execution or attachment or other similar process being sued, levied or enforced against any property or assets whatsoever of the Borrower or in the event of any insolvency petition being filed by or against the Borrower or an order being made or if such Receiver is appointed or if any person, firm or company applies for or obtain an order for the winding up of the Borrower or if any such order is made or if any resolution for winding up is passed or if the Borrower suspends or cease to carry on business or fails to conduct its business to the satisfaction of the Bank or appear to be unable to pay its debts as they become due, then and in any such case and without any notice, the Bank or RBI / the Agency shall be entitled to enter into or upon any place or premises where or wherein any of the said hypothecated articles may be or are likely to be situated, kept or stored and to inspect, evaluate, insure, take or cause to be taken charge of or seize or possess all or any of said hypothecated articles or the books of accounts, papers, documents and vouchers and other records relating to the said hypothecated articles either forthwith or at any time and to sell and/or dispose off all or any of the said hypothecated articles forthwith or from time to time in such manner as the Bank or RBI/ the Agency shall think fit with or without any notice to the Borrower and either by public auction or private contract or tender and to enforce, realize, settle, compromise and deal with any rights aforesaid without being bound to exercise any of these powers or being liable for any losses in the exercise or non-exercise thereof and without prejudice to the Bank's or RBI/ the Agency rights and remedies of suit or otherwise and notwithstanding that there may be any pending suit or other legal proceedings; the Bank shall adjust the proceeds of such sale of the said hypothecated articles against all or any sum due and outstanding from the Borrower to the Bank pursuant to the said Credit Facility;
- (xiii) that the Borrower shall punctually pay all rents, rates, taxes, expenses and other outgoings of the godowns and other premises in or upon which the said hypothecated articles may for the time being belying and stored and produce the rent receipts when required to do so by the Bank;
- (xiv) that the Borrower shall maintain proper books of account of its business and carefully keep and preserve all documents, certificates, papers and vouchers in connection with the said hypothecated articles and submit for inspection thereof to the Bank or its authorised persons, attorneys, employees or agents;

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- (xv) that it shall maintain at its cost the said hypothecated articles in good and marketable condition and service or replace worn out parts as are required in the ordinary course of business to which they relate;
- (xvi) that it shall not remove or dismantle any of the said hypothecated articles without the consent in writing of the Bank except where required only in the ordinary course of business in order solely to replace any worn out, obsolete, discarded, damaged or broken part of the said hypothecated articles;
- (xvii) that it shall not deal with any other bank, institution without the prior written consent of the Bank; that it shall undertake not to make any loan or give any financial guarantee/other guarantees or provide any security of the assets of the company to any other company/ies or any other person/s without the prior written permission of the Bank.
- (xviii) that it shall give immediate possession to the Bank on demand of all or any items of the said hypothecated articles or the documents of title evidencing the right, title or interest to the said hypothecated articles including extracts from the relevant books of account, registers, invoices, bills, vouchers, contracts, securities or such other documents as the Bank or its authorised persons may deem fit; the documents of title as furnished by the Borrower to the Bank shall act as conclusive proof of the Borrower's title;
- (xix) that it shall give all necessary information of supplier's/ purchaser's name, nature of goods, quantity of goods, actual price of goods supplied purchased and other related information as required by the Bank;

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- (xx) that it shall provide full particulars of the entitlement against which the financial facility is sought and in respect of which the Borrower has been granted Packing Credit facility and further the Borrower hereby agrees to pay interest at the rate of _____% compounded quarterly (concessional rate of interest) for the concessional period of _____ days or at such rate or rates and for such period or periods as prescribed by the RBI / the Bank from time to time and intimated to the Borrower against acknowledgement. In case the loans granted against such entitlement is not repaid within the period specified above, the Borrower shall pay interest at _____ % p.a compounded quarterly or at such other rates as prescribed by the RBI/the Bank from time to time for the period of loan remaining outstanding exceeding the concessional period till the date of full repayment of the loan, interest and other charges as specified above. In case the Borrower is not eligible for the entitlement declared (either partially or fully) against which the Packing Credit has been granted, it shall repay the advance granted in full with interest on the said advance, for the entire period of the advance, at the rates normally charged by the Bank on its overdraft/ cash credit advances at _____ % p.a. compounded quarterly or at such rates as may be specified by the RBI /the Bank from time to time ;
- (xxi) that the said hypothecated articles and all documents of title thereto and sale proceeds thereof shall be the exclusive proof of the Bank and any sale or disposition of the said hypothecated articles except that the Borrower may undertake in respect thereof shall be only in the ordinary course of business as mentioned hereinabove shall be held as the exclusive property of the Bank and deposited in the said account of the Borrower with the Bank;
- (xxii) that it shall use the amounts received under the said Credit Facility only for the purpose for which stated in the said application to the Bank and that the Borrower is prohibited from using and shall not use the amounts received for any other purpose; further it is agreed that if the Borrower is found to have violated this condition, the Bank shall have the right to recall the entire amount sanctioned or any part thereof at once or charge penal / additional interest at such rates as may be specified notwithstanding anything to the contrary contained in this or in any other document and without prejudice to the Bank's other rights to legal recourse as provided hereinafter ;
- (xxiii) that the Bank may exercise at its absolute discretion the right of set off/lien and appropriation of the security for any other amounts due and payable to the Bank by the Borrower in respect of any other facility availed of by the Borrower from the Bank;

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- (xxiv) that the Borrower further agrees that in consideration of the Bank providing the said Credit Facility, other collateral facilities, co-accepting / agreeing to co-accept the bills / issuing a DP Guarantee / agreeing to issue a DP Guarantee / guaranteeing due repayment of instalments and other liabilities such as incidental expenses, commissions, expenses, charges, costs and such other outgoings as incurred by the Bank on their respective due dates without default. The Borrower further agrees that it shall keep the Bank Indemnified in respect of any claim / loss whatsoever in this regard and keep it safe and saved from and against all actions, Proceedings, claims, demands, losses, damages, costs (between Attorney and client), charges and expenses whatsoever that may be brought or made against or sustained or incurred by the Bank as a consequence of the Bank granting the said Credit Facility, other collateral facilities, co-accepting the bills / issuing DP guarantee / Agreeing to issue a DP guarantee / guaranteeing due repayment of Instalments and other liabilities such as incidental expenses, Commissions, expenses, charges, costs and other outgoing as required to be incurred by the Bank on behalf of the Borrower.
- (xxv) that it hereby appoints the Bank as its agent or attorney in its name and on its behalf to demand, sue for, receive and recover and give effectual discharges for all or any of the book debts or other debts, claims etc. hereby hypothecated by the Borrower and for that purpose to file suits, sign plaints, make affidavits, employ solicitors and advocates and to refer arbitration and to do all such acts deeds matters and things as could have been done by the Borrower in the matter without being liable for any loss in respect thereof;
- (xxvi) that it agrees to comply with any other terms and conditions and any changes in the terms and conditions whether form part of this Agreement or otherwise expressed as Bank may stipulate at any time depending on the policy of the Bank, RBI or any other governmental authority;

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- (xxvii) that if the Borrower hypothecates to the Bank any movable machinery, vehicles and /or other goods with the approval of the Bank as security, the details of the security shall be entered in Part A, B or Part C of Schedule 2 hereto and the details of any further collateral security provided by the Borrower shall be entered in a separate Addendum to be executed by the parties hereto. It is further agreed that any of the primary securities hypothecated by the Borrower shall not be prejudiced by any collateral security provided;
- (xxviii) that if the Bank extends any monetary reliefs / concessions to the Borrower by way of the said Credit Facility in order to assist in rehabilitation of the Borrower becoming sick, the Bank shall have the right of recompense of any such monetary assistance made by it; further this right of recompense shall accrue to the Bank once the unit of the Borrower becomes healthy and its rehabilitation is complete and such recovery shall be made in a phased manner from the Borrower's future profits/ cash accruals;
- (xxix) that if the Bank is required to furnish information to ECGC or any other authority whenever the Bank is called upon to do so or pay any premium or other sum as required by ECGC, the Bank may debit the account of the Borrower to the extent of the sums expended;
- (xxx) that the Borrower undertakes to produce export licences or quota certificates and their renewals thereof which entitle the Borrower to export goods whenever called upon to do so by the Bank;
- (xxxi) that the Borrower undertakes not to pay any guarantee commission /fee to the Directors for extending personal guarantee.
- (xxxii) (a) that the Borrower shall from time to time on demand by the Bank furnish to the Bank a list of all the book debts and other debts and the debtors and produce to the Bank its books of account and other documents to enable the Bank to ascertain the book debts and other debts from time to time and the Borrower shall whenever required produce all evidence in support thereof;

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- (b) that the Borrower shall execute on demand by the Bank such further documents as may be required by the Bank to vest the book debts and other debts in favour of the Bank and to render the same readily realisable or transferable by the Bank at any time;
- (c) that the Borrower declares that the book debts and other debts shall always be the Bank's absolute property at its sole disposal and free from any prior charge or encumbrance;
- (d) that the Borrower shall not compound or release any of the book debts or other debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent of the Bank and further shall keep proper books of accounts of its business and all vouchers, papers and documents relating thereto for the inspection of the Bank and any of its authorised persons and allow free access to them without demur;
- (e) that the Borrower shall give notices to debtors and transfer and deliver to the Bank all the relative documents, securities and papers thereto in case of any default of the Borrower in payment of the money hereby secured or in the performance of the covenants hereby agreed to be performed;
- (f) That on any default of the Borrower/s in payment on demand of any money hereby secured or the performance of any obligation or terms and conditions to the Bank under this agreement or any of the terms and conditions contained in the borrower's request for financial facilities or under any other security or the occurrence of any circumstances in the opinion of the Bank prejudicing or endangering this or any other security, the Bank shall be entitled at the Borrower's risk and expenses to take possession and / or appoint receivers for said debts under this security, give notices and demand from Borrower/s and / or third parties liable therefor, to demand to recover receive and give receipts and discharges for the same and sell or realise by public auction or by any private contract.

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- (g) The Borrower/s has /have further agreed to get the relevant book debts account duly audited by a competent Auditor at his/their cost absolutely and submit the Auditors Certificate in proforma prescribed by the Bank; and
- (h) The Borrower further agree that he shall not draw any amount against the book debts which is likely to be unrealised or doubtful or debts which are outstanding more than _____ months or advances money paid by him/it for the supply of goods/materials.
- (xxxiii) that if the said hypothecated articles are machinery, tools and accessories already purchased and as specified in Schedule 2 here to as also the machinery to be purchased and which is subsequently erected at the premises of the Borrower as security for the repayment of the amounts advanced by the Bank to the Borrower, the Borrower shall ensure that :
- (a) the title to the machinery vests in the Borrower absolutely and that the machinery is in good, marketable condition and free of any encumbrance and that the Borrower will do all such acts deeds and things necessary for more perfectly assuring its title thereto and for more effectively implementing the terms of this Agreement;
 - (b) the machinery will be maintained in good order and condition and serviced timely and all worn out parts of the machinery would be replaced from time to time;
 - (c) the machinery would not be also allowed to depreciate to beyond the normal wear and tear that is permissible in relation to the machinery hypothecated ;
 - (d) that the permits and licences required to be obtained in respect of the hypothecated machinery shall be obtained and renewed from time to time;
- (xxxiv) that if the said hypothecated articles are vehicles, the Borrower shall ensure that :
- (a) the name of the Bank inserted as the charge holder in the records of the concerned Regional Transport Office of the state in which the vehicles are registered;

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- (b) the title to the vehicles shall vest with the Borrower absolutely and that the same is maintained in good, marketable condition, free of encumbrances and that the Borrower will do all such acts deeds matters and things necessary for more perfectly assuring its title to the vehicles;
 - (c) that the Borrower will maintain the hypothecated vehicles in good order and condition, serviced and worn out parts replaced;
 - (d) that the hypothecated vehicles will not suffer depreciation beyond the normal extent of wear and tear; and
 - (e) that the permits and licences required to be obtained in respect of the hypothecated vehicles shall be obtained and renewed from time to time;
- (xxxv) that the Borrower shall be bound by any assignments of the benefits of this Agreement by the Bank or any other bank or institution or person and the Borrower shall do such necessary acts deeds and required things as are the purpose of effectuating the assignment contemplated by the Bank; and
- (xxxvi) that the Borrower shall give adequate notice to the Bank in the event of the Borrower making a request to the Bank for transfer of the said Credit Facility to another branch of the Bank; in such an event, the Bank shall be entitled to enforce payment hereunder or in relation thereto at the original place and /or the branch to which the limit, is transferred.

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4. The security hereby created and all other movable properties of any description including any money, actionable claims, insurance claims, bullions, deposits, receipts for money, promissory notes, bills, goods, merchandise bills of lading and other documents of every description, including hire purchase agreements or lease agreements and other documents evidencing title of the Borrower whether singly or jointly and severally with others, whether in India or outside India coming into the hands of the Bank in the normal course of business shall be a continuing security for the balance from time to time due by the Borrower to the Bank on the said account and also for the general balance of all and any accounts as determined by the Bank at its sole discretion inclusive of amounts due under any outstanding bill purchased or discounted or negotiated whether under letters of credit or those returned unpaid and dishonoured and held by the Bank or debited to the account of the Borrower along with interest, additional interest and other charges and expenses; further the said account shall not be considered as closed for the purposes of this security and the security not to be considered exhausted by reason of the said account being brought to credit at any time or from time to time or it being drawn upon to the full extent and afterwards brought to credit and that the charge of the Bank on the said hypothecated articles shall continue unaffected until the said Credit Facility is terminated and all moneys due hereunder are repaid in full.

The Borrower further agrees that the security shall be continuing security for the balance due to the Bank from time to time under the said account and the liability of the Borrower shall not be affected by the winding up, merger or amalgamation, reconstruction or otherwise of the Borrower with any other company.

Nothing herein contained shall prejudice any other security present or future or any right or remedy of the Bank for the recovery of the amounts due by the Borrower to the Bank on any account whatsoever.

5. The Borrower agrees that it shall comply with any other terms and conditions and/or any changes in the terms and conditions whether forming part of this Agreement or otherwise expressed in any other document or in parol that the Bank may stipulate at any time from time to time, without providing the Borrower any specific notice in respect thereof.
6. Any notice required to be given to the Borrower by the Bank given by fax or by leaving the same at or posting the same by registered post at the addresses mentioned aforesaid shall be deemed to have been served on the borrower in due course.

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7. This Agreement shall be governed by the laws of India and the Courts of Delhi (this will depend on where the Agreement is executed) shall have jurisdiction to hear and determine any suit, action, proceeding, petition in connection with this Agreement.
8. In the event that any dispute arising in connection with this Agreement cannot be settled mutually through negotiations, the subject matter of dispute shall be submitted to one Arbitrator. If the parties cannot agree upon a single arbitrator, there shall be three arbitrators, one appointed by each party and a third selected by the two arbitrators so appointed. All pertinent evidence on the subject matter in dispute shall be made available to the arbitrator or arbitrators and each party shall have the right to present, both orally and in writing its arguments and views on the dispute.

The decision of the arbitrator or the majority of the arbitrators shall be rendered in writing and shall be binding upon the parties. The costs, charges and expenses of the arbitration shall be at the discretion of the arbitrator or arbitrators. Such arbitration shall be held in _____ and shall be conducted in English language and according to the provisions of the Arbitration and Conciliation Act, 1996.

9. The parties do hereby agree that the rate of interest in the case of arbitration from the date of award till realization shall be at the rates at which they have been agreed to by the parties hereto.

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SCHEDULE 1

(here specify the repayment schedule, if the loan is repaid in instalments)

(Rs. in Crore)

The company shall repay the principal amount of the RTL in 24 unequal, quarterly installments commencing after 21/2 years from the date of first disbursement (tentatively April 1, 2015) as under :

Year	Amt. out of total loan to be repaid during the year	No. of quarterly installments
2015-16	5.00%	4
2016-17	7.50%	4
2017-18	15.00%	4
2018-19	20.00%	4
2019-20	25.00%	4
2020-21	27.50%	4
Total	100.00%	24

For Bharat Business Channel Limited

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Signature /thumb impression of the Borrower

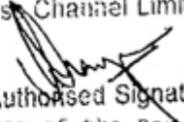
SCHEDULE 2

(Description of the assets hypothecated)

PART - A : Machineries /Equipments /Accessories

SI. No.	Description of the machinery	Value
------------	---------------------------------	-------

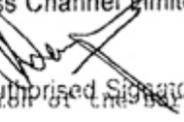
-NIL-

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Signature /thumb impression of the Borrower

PART -B : Vehicles (including accesories and implements)

SI. No.	Description of the machinery	Value
------------	---------------------------------	-------

-NIL-

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Signature /thumb impression of the Borrower

Part C : Details of Other goods (like, Stock in trade, Raw Materials, Finished Goods, ALL other goods other than those specified in A and B above including Book Debt)

The Rupee Term Loan, together with interest thereon, further interest, liquidated damages, costs, expenses and all other monies whatsoever shall be secured by way of first paripassu charge on:

- Entire movable/immovable asset of the company (both present as well as future) on paripassu charge with existing term lenders
- DSRA for 1 quarter's debt service payment (i.e Principal interest) to be created latest by January 1, 2015
- Assignment of DTH license, on paripassu basis with existing term Lenders.
- First paripassu charge on Escrow account of the company.

Company will be allowed 3 months time from the date of first disbursement for obtaining NOC from the existing lenders and creation of mortgage. Further the company will be allowed another 6 months time for assignment of DTH license.

OTHER COMFORTS:

a) Personal Guarantee:

1. Mr. V N Dhoot
2. Mr. p N Dhoot

b) Corporate Guarantee:

1. Platinum Appliances Private Ltd
2. Greenfield Appliances Private Ltd
3. Solitaire Appliances Pvt Ltd

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Director / Authorised Signatory
Signature /thumb impression of the Borrower

SCHEDULE 3

DETAILS OF THE SAID CREDIT FACILITIES

(Amount in Crore)

<u>Nature of the facility</u>	<u>Existing Limits</u>	<u>Modified/Enhanced Limits (*)</u>	<u>Liability (**)</u>
Term Loan (NEW) RS.175.00 CRORE			

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- NOTE : (*) This is applicable only when modification/ enhancement of the limit is done. Here indicate the limit including the present enhancement/ modification.
- (**) In the case of existing borrowers for switch over / modification etc.

SCHEDULE 4

DETAILS OF RATE OF INTEREST

NATURE OF LIMIT	AMOUNT	LIABILITY	RATE OF INTEREST
Term Loan	175.00 Crore		IDBI Base Rate + 2.75% = 13.00% (Presently)

Bank shall have the right to reset the interest rate (including margin/ Spread) at the end of 12 months from the date of first disbursement and every year thereafter (the "Interest Reset Dates").

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IN WITNESS THEREOF the borrower has caused the execution of this agreement the day and year herein above written.

SIGNED AND DELIVERED BY the within named "Borrower" Shri/Smt LAXMAN D. GHARGE (POA HOLDER)

THE COMMON SEAL of the withinname "Borrower" BHARAT BUSINESS CHANNEL LTD. pursuant to a resolution of the Board of Directors of the Borrower passed in that behalf on the ___ day 5th March, 2013 hereunto affixed in the presence of shri _____ and Shri _____



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Section 18: EX-10.12 (EXHIBIT 10.12)

Exhibit 10.12

TERM LOAN FACILITY AGREEMENT

BETWEEN

**BHARAT BUSINESS CHANNEL LIMITED
[BORROWER]**

AND

**BANK OF INDIA
[LENDER]**

NAME: BHARAT BUSINESS CHANNEL LTD.

ADDRESS: _____

THROUGH: MUKESH VISHWAKARMA

SIGNATURE: _____

RECEIPT No. 2

FOR W.M.D.C. LTD.

[Signature]
AUTHORISED SIGNATORY

भारत बिजनेस चैनल लि.
इकोनॉमिक्स कंपाउंड
एडालत रोड, अहमदाबाद - 380 005
गुजरात, भारत
REGD. OFFICE: W.M.D.C. LTD. 17
TOWER-2, 2ND FLOOR



TERM LOAN FACILITY AGREEMENT

THIS TERM LOAN FACILITY AGREEMENT MADE AND EXECUTED AT PUNE ON THIS 21st DAY OF MARCH, 2013.

BETWEEN

BHARAT BUSINESS CHANNEL LIMITED, a Company incorporated under the Companies Act, 1956 with Company Identification No. U92100MH2002PLC137947 and having its Registered Office at Auto Cars Compound, Adalat Road, Aurangabad - 431005, State of Maharashtra, hereinafter referred to as "**THE BORROWER**" (which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns) **OF THE FIRST PART.**

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



AND

BANK OF INDIA, a Body Corporate constituted by and under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and having its Head Office at "Star House", C-5, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 and a Branch Office amongst other places at "Sushilp", 1290, Shivajinagar, Opp. Hotel Swan Inn, Off Jangli Maharaj Road, Pune - 411 005 known as **Pune Large Corporate Branch**, hereinafter referred to as "**THE LENDER**" (which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and assigns).

[The Borrower and the Lender are hereinafter collectively referred to as "**THE PARTIES**" and individually as "**A PARTY**"].

WHEREAS:

- [1] The Borrower is a Limited Company having Company Identification No. U92100MH2002PLC137947 and having its Registered Office at Auto Cars Compound, Adalat Road, Aurangabad - 431005, State of Maharashtra. The Borrower is engaged inter alia in Up Linking and Down Linking Satellite Broadcasting and in the business of Direct to Home TV (DTH) Service in Ku Band, broadcasting, entertainment and education.
- [2] The Borrower has requested the Lender to lend and advance to the it, a Term Loan - II Facility of Rs. 150.00 Crores (Rupees One Hundred and Fifty Crores only) for Part Financing Subscriber Acquisition, procurements of hardware and scaling up Inventory along with nominal Plant and Machinery Capex under Term Loan Facility of Rs. 1200.00 Crores as a part of the Borrower's Plan to achieve Economies of Scale, which the Lender has agreed to provide on the terms and conditions contained in the Sanction Letter bearing Ref. No PLCB/SR dated 16.03.2013 of the Lender and on the terms and conditions herein contained.

FOR THE CONSIDERATION AFORESAID, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS :

Wherever used in this Agreement, the following words shall have the meanings assigned to them as under:

"**Additional Interest**" shall have the meaning given to that term in Section 5.3 (*Additional Interest*).

"**Affiliate**" shall mean, with respect to any Party, any other Person directly or indirectly controlling or controlled by such Party or is under common Control with it.

"**Applicable Law**" shall mean any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority whether in effect as of the date of any Financing Document or thereafter and in each case as amended.

"**Availability Period**" shall mean a period of Twenty Four (24) months from the date of first disbursement of the Term Loan Facility unless extended in writing by the Lender.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



“**Authorised Officer**” shall mean with respect to any Person, any Officer of such Person or any Power of Attorney Holder of such Person, that is authorised to sign on behalf of such Person and at the time being listed as such by the Company Secretary of such Person in the most Recent Certificate of such Company Secretary delivered to the Lender.

“**Base Rate**” shall mean the percentage rate per annum decided by the Lender from time to time and announced / notified as its Base Rate from time to time.

“**Business Day**” shall mean a day on which the Lending Office of the Lender specified in this Agreement, or such other office as may be notified by the Lender, is open for normal business transactions.

“**Borrower**” shall mean the Borrower availing the Term Loan - II Facility from the Lender and providing any Security Interest to secure the Term Loan Facility in accordance with Section 10.1 (*Security*).

“**Charged Assets**” shall mean all the Assets over which Security Interest is required to be created in accordance with Section 10.1 (*Security*).

“**Clearances**” shall mean with respect to any Person who is a party to the Financing Documents, any consent, license, approval, registration, permit or other authorisation of any nature which is required to be granted by any statutory or regulatory authority: (i) for the incorporation of such Person; (ii) for the enforceability of any Financing Documents executed by such Person and the making of any payments contemplated there under by such Person; and (iii) for the performance of such Person's obligations under any Financing Document.

“**Control**” (including with correlative meaning, the terms “**Controlled by**”), as applied to any Person, shall mean the power or right to directly or indirectly: (i) direct or cause the direction of the management of that Person; (ii) direct or cause the direction of the policy decisions exercisable by that Person; or (iii) nominate for appointment the majority of the directors on the board of directors of that Person, by virtue of ownership of voting securities or management rights or contract or in any other manner.

“**Credit Rating Agency**” shall mean and refer to the Domestic Credit Rating Agencies such as Credit Analysis and Research Limited, CRISIL Limited, FITCH India, and ICRA Limited and International credit rating agencies such as Fitch, Moody's and Standard and Poor's and such other Credit Rating Agencies identified and/or recognized by the Reserve Bank of India from time to time.

“**Default Interest**” shall have the meaning set out in Section 5.2 hereof.

Default Interest Rate shall at any time mean a rate of interest equal to the sum of the then applicable Interest Rate and 2.00% (two decimal zero percent) per annum.

“**Due Date**” shall mean, in respect of:

- (a) Interest, the Interest Payment Dates; and
- (b) any other amount payable under the Financing Documents, the date on which such amount falls due in terms of the Financing Documents.

Except as otherwise specified in this Agreement, if any Due Date falls on a day which is not a Business Day, the immediately preceding Business Day shall be the Due Date for such payment.

“**Event of Default**” shall have the meaning given to such term in Section 15.1 (*Events of Default*).

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



“**Financing Documents**” shall mean collectively:

- (a) this Agreement;
- (b) all Security Documents;
- (c) all Agreements, Deeds, Documents, Powers Of Attorney, etc. entered into in relation to the availing of the Facility; and
- (d) any other Agreement so designated by the Lender and the Borrower.

“**GAAP**” shall have the meaning given to that term in Section 11.14 (*Accounts*).

“**Government Authority**” shall mean the Government of India, or the Government of any State of India or any ministry, department, board, authority, instrumentality, agency, corporation (to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or commission under the direct or indirect control of the Government of India or the government of any state of India or any political subdivision of any of them or owned or controlled by the Government of India, the government of any state of India or any of their subdivisions, or any Court, Tribunal or Judicial Body within India.

“**Indebtedness**” in relation to any Person, shall mean any indebtedness whatsoever, of such Person at any time for or in respect of monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities, acceptance, credits, deposits, hire-purchase and leasing).

“**Insurance Contracts**” shall mean all Insurance Policies entered into by the Borrower in respect of its assets, as may be required by the Lender.

“**Interest Payment Date**” shall mean the First Calendar Day of Each Calendar Month.

“**Interest Rate**” with respect to amounts utilised under the Term Loan Facility shall mean the rate of interest calculated as set out in **THE FIRST SCHEDULE** and notified by the Lender to the Borrower from time to time.

“**Legal Proceeding(s)**” shall mean any litigation, judicial, quasi-judicial, administrative or arbitral proceedings or proceedings with respect to any commission of inquiry.

“**Lending Office**” in relation to the Lender shall mean its Branch Office as specified hereunder:

BANK OF INDIA
PUNE LARGE CORPORATE BRANCH,
“Sushilp”, 1290, Shivajinagar
Opposite Hotel Swan Inn,
Off Jangli Maharaj Road Branch,
Pune - 411 005.

or such other Office as may be notified by the Lender to the Borrower.

“**Material Adverse Effect**” shall mean the effect or consequence of any event or circumstance which is or is likely to be:

- (a) adverse to the ability of the Borrower to perform or comply with any of their respective obligations under the Financing Documents in accordance with their respective terms; or
- (b) prejudicial to any of the businesses, operations or financial condition or prospects of the Borrower who is party to any Financing Document so as to impair its ability to perform or comply with any of their respective obligations under the Financing Document in accordance with their respective terms.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



“**Original Financial Statements**” shall mean the Last Audited Accounts of the Borrower prior to the date of first The Term Loan Facility.

“**Person**” shall mean any Natural Person, Limited Or Unlimited Liability Company, Corporation, Partnership (whether Limited or Unlimited), Proprietorship, Hindu Undivided Family, Trust, Union, Association, Government of any Agency or Political Subdivision thereof or any other Entity that may be treated as a Person under the Applicable Law.

“**R.B.I**” shall mean the Reserve Bank of India.

“**Rupees or Rs.**” shall mean the Lawful Currency for the time being of India.

“**Sanction Letter**” shall mean the Sanction Letter bearing Ref. No. PLCB/SR dated 16.03.2013 of the Lender viz Bank of India, Pune Large Corporate Branch (a copy whereof is annexed hereto) and more particularly described in **THE THIRD SCHEDULE** hereunder written and includes any modifications thereto.

“**Secured Obligations**” shall have the meaning given to that term in Section 10.1 (*Security*).

“**Secured Parties**” shall mean collectively the Lender, any agent of the Lender and includes any person acting as trustee for the benefit of the Lender, and **Secured Party** shall mean any one of them as the context may require.

“**Security**” shall mean collectively all the Security Interests required to be created to secure the Term Loan Facility as more particularly described in Section 10 (*Security*).

“**Security Documents**” shall mean and include without limitation any documents entered into or executed by the Borrower or any other Person for creating and perfecting the Security, including any:

- (a) Deed(s) of Mortgage;
- (b) Deed(s) of Hypothecation;
- (c) Deed(s) of Assignment;
- (d) Power of Attorney(s);
- (e) Deed(s) of Guarantee;
- (g) All Documents, Deeds, Power of Attorney(s). etc. required by the Lender, or entered into or executed by the Borrower or any other Person for creating and perfecting the Security; and
- (h) Any other document designated as a Security Document by the Lender.

“**Security Interest**” shall mean any guarantee, mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement of any kind or nature whatsoever, including, without limitation: (i) any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease having substantially the same effect as any of the foregoing; and (ii) any designation of loss payees or beneficiaries or any similar arrangement under any Insurance Contract.

“**Tax**” shall mean any and all present and future taxes, including without limitation, taxes levied on gross receipts, sales, turn-over, value added, use, consumption, property, income, franchise, capital, occupational, license, excise, interest and documentary stamps taxes, and customs and other duties, assessments, or fees, however imposed, withheld, levied, or assessed by any country or government subdivision thereof or any other taxing authority.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



“**Term Loan**” shall mean the aggregate of all the amounts disbursed to the Borrower under the Term Loan Facility, as may be outstanding from time to time.

“**The Term Loan Facility**” shall mean any disbursement of the Term Loan Facility or part thereof, in accordance with the terms and conditions of this Agreement.

1.2 **INTERPRETATION :**

In this Agreement, save where the context otherwise requires :

- (a) words importing the singular include the plural and vice versa;
- (b) a reference to a Section, or Schedule or Annexure, is a reference to a Section of, or Schedule or Annexure to, this Agreement;
- (c) headings are inserted for convenience of reference only, and shall not affect the interpretation of this Agreement.
- (d) references to the word "includes" or "including" are to be construed without limitation;
- (e) a reference to "assets" includes all properties whatsoever both present and future, (whether tangible, intangible fixed, current or otherwise) (including intellectual property rights), fixed, current, investments, cash-flows, revenues, rights, benefits, interests and title of every description;
- (f) a reference to "authorisation" includes an authorisation, consent, clearance, approval, permission, resolution, licence, exemption, filing and registration;
- (g) a reference to "control" includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;
- (h) a reference to "encumbrance" includes a mortgage, charge, lien, pledge, hypothecation security interest or any lien of any description whatsoever;
- (i) any reference to a public organisation shall be deemed to include a reference to any successor to such public organisation or any organisation or entity which has taken over the functions or responsibilities of such public organisation;
- (j) references to "indebtedness" means in relation to any Person, any indebtedness whatsoever of such Person at any time for or with respect to monies borrowed, contracted or raised (whether or not for cash consideration) or liabilities contracted by whatever means (including under guarantees, indemnities, acceptance, credits, deposits, hire-purchase and leasing);
- (k) references to a Party to this Agreement or a Person shall include their respective successors, novatees, assignees or transferees (to the extent assignment or transfer is permitted under this Agreement);
- (l) references to this Agreement shall be construed as references also to any separate or independent stipulation or agreement contained in it;
- (m) all references to any agreements, documents or other instruments shall include reference to that agreement, document or instrument as amended, supplemented, substituted, novated or modified from time to time;

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



- (n) reference to an "amendment" includes a supplement, modification, novation, replacement or re-enactment and "amended" is to be construed accordingly;
- (o) references to any law, statute or rules shall include reference to any amendment, modification, substitution or re-enactment thereto and to any regulations, directions, guidelines or notifications issued thereunder;
- (p) reference to a gender shall include references to the female, male and neuter genders;
- (q) all approvals, permissions, consents or acceptance required from the Lender for any matter shall require the "prior", "written" approval, permission, consent or acceptance of the Lender;
- (r) any consent, approval, determination, waiver or finding to be given or made by any of the Secured Parties shall be made or given by such Secured Party in their sole discretion;
- (s) the words 'hereof', 'herein', and 'hereto' and words of similar import when used with reference to a specific Section or Sub-clause in, or Schedule to, this Agreement shall refer to such Section or Sub-clause in, or Schedule to this Agreement, and when used otherwise than in connection with specific Sections, Sub-clauses or Schedules, shall refer to this Agreement as a whole;
- (t) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (u) words and abbreviations, which have, well known technical or trade/commercial meanings are used in the Agreement in accordance with such meanings;
- (v) references to "day" means calendar day unless specifically provided to be a "Business Day".
- (w) a reference to a "month" is a reference to a period starting on one day in a calendar month and ending on the date immediately before the numerically corresponding day in the next calendar month, except that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that calendar month;
- (x) in the event of any disagreement or dispute between the Lender and the Borrower regarding the materiality or reasonableness of any matter including of any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise. the opinion of the Lender as to the materiality or reasonableness of any of the foregoing shall be final and binding on the Borrower; and
- (y) the rule of construction, if any, that a contract should be interpreted against the parties responsible for the drafting and preparation thereof, shall not apply

2. **TERMS OF THE TERM LOAN FACILITY:**

2.1 **Amount of the Term Loan Facility :**

The Borrower agree to borrow from the Lender, and the Lender agrees to extend to the Borrower, on the terms and conditions contained in **the Sanction Letter Ref. No. PLCB/SR dated 16.03.2013** and the terms and conditions contained herein, a Term Loan - II Limit of Rs 150.00 Crores (Rupees One Hundred and Fifty Crores only) (hereinafter referred to as "**THE TERM LOAN FACILITY**").

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



2.2 Utilisation of the Proceeds of the Term Loan Facility :

The Borrower hereby agree that the proceeds of the Term Loan — II Facility of Rs. 150.00 Crores shall be utilised solely for the purposes of Part Financing Subscriber Acquisition, procurements of hardware and scaling up Inventory along with nominal Plant and Machinery Capex under Term Loan Facility of Rs. 1200.00 Crores as a part of the Borrower's Plan to achieve economies of scale. The Lender shall not be under any obligation to monitor the purpose for which such proceeds have been utilised.

2.3 Term Loan Facility Limit:

Notwithstanding anything contained in this Agreement or the Financing Documents, the aggregate of the Principal Amount disbursed to the Borrower in relation to the Term Loan - II Facility shall not exceed Rs. 150.00 Crores (Rupees One Hundred and Fifty Crores only).

3. CANCELLATION AND RECALLING OF THE TERM LOAN FACILITY :

3.1 Automatic Cancellation :

The unutilised Term Loan Facility under this Agreement shall stand automatically cancelled at the close of normal working hours on the last Business Day of the Availability Period.

3.2 Cancellation of Commitment:

The Borrower unconditionally agrees, undertakes and acknowledges that:

- (a) any notice of cancellation under this Agreement is irrevocable;
- (b) no amount of the Term Loan Facility cancelled under this Agreement may subsequently be reinstated; and
- (c) no cancellation of the Term Loan Facility is permitted except in accordance with this Section 3 (*Cancellation and Recalling of the Facility*), Section 15.21 (*Consequences of Event of Default*), Section 16.11 (*Assignment and Novation*) and/or the express terms of this Agreement.

3.3 Unconditional Right of Cancellation :

Notwithstanding anything contained in this Agreement. The Borrower hereby agrees and confirms that the Lender reserves the absolute right to cancel the Term Loan Facility (either fully or partially) unconditionally without prior notice to the Borrower:

- (a) in case the Term Loan Facility or part of the Term Loan Facility is not utilized by the Lender within the Availability Period;
- (b) in case of deterioration in the Term Loan Account in any manner whatsoever; and
- (c) in case of non-compliance of terms and conditions of sanction of the Term Loan Facility.

For the purpose of the above clause, "deterioration in the loan account" shall include without limitation :

- (i) downgrade of any Obligor by a Credit Rating Agency;
- (ii) inclusion of any Obligor and/or any of its directors in Reserve Bank of India's Wilful Defaulters List;

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



- (iii) closure of a significant portion of any of the Borrower' operating capacity;
- (iv) decline in the profit after tax of any of the Borrower' by more than fifteen percent;
- (v) any adverse comments from the statutory auditor of any of the Borrower; and
- (vi) failure of the Borrower to comply with the terms and conditions of the Financing Documents.

3.4 Recall of the Term Loan Facility :

Notwithstanding anything contained in this Agreement, the Borrower hereby agrees and confirms that the Lender reserves the absolute right to recall the Term Loan Facility (either fully or partially) unconditionally without prior notice to the Borrower and also withdraw the Cheque Facility in terms of the Lender's policy on dishonor of cheques, in case of incidence of frequent dishonor of cheques / failed ECS (debit) due to insufficient funds is observed.

4. THE TERM LOAN FACILITY :

4.1 Conditions Precedent to availing the Term Loan Facility :

The Term Loan Facility shall be subject to the fulfillment of (or waiver in accordance with this Agreement) prior to availing Term Loan Facility in a manner satisfactory to the Lender of all the conditions set forth below and the acceptance of the benefits of the Term Loan Facility shall constitute a representation and warranty by The Borrower to the Lender that all the conditions specified in this Section 4.1 and in Section 4.2 have been satisfied or waived by the Lender as of that time.

(a) Financing Documents :

Each of the Financing Documents shall have been executed by the respective Parties thereto and shall have become (or, as the case may be, shall remain) effective and enforceable in accordance with their respective terms, and copies thereof, shall have been delivered to the Lender together with a Certificate of the Borrower to the effect that each such Financing Document is true, correct and complete in all respects, and in full force and effect.

(b) Corporate Authorisations, Documents and Proceedings :

The Lender shall have received all Corporate Documents and Resolutions in each case certified by the Appropriate Officers of such Person which shall include, but not be limited to :

- (i) An Up-To-Date Certified True Copy of the Constitutional Documents and the Certificate of Incorporation and Commencement of Business of the Borrower;
- (ii) Evidence of the corporate power and authority of the Borrower to enter into the respective Financing Documents and perform its obligations there under and duly attested signature of the Persons executing the Financing Documents on behalf of the Borrower;
- (iii) Certified Copies of the Resolutions of the Board of Directors and the Shareholders of the Borrower and the Corporate Guarantors, approving the availing of the Term Loan Facility and creation of the Security Interest over the Charged Assets (including Shareholders Resolutions under Sections 293 (1)(a) and (d) of the Companies Act, 1956);

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



(iv) such further documents and/or corporate authorisations as may be necessary or desirable by the Lender.

(c) **Security:**

The Borrower shall have ensured that the Security Interests required to be created as described in Section 10.1(a), (b), (c) and (d) herein below has been created and perfected to the satisfaction of the Lender and the Security Documents and the Security specified therein shall be in full force and effect.

Provided that the Lender may at its sole discretion, make disbursements out of the Facility, pending full and final creation and perfection of the Security required to be created as described in Section 10.1.

(d) **Processing Fee :**

The Borrower shall have paid to the Lender a Non Refundable Processing Fee equal to Rs. 60.00 Lacs plus Service Tax.

4.2 Conditions Precedent to the Term Loan Facility :

The Term Loan Facility shall be subject to the fulfillment or waiver, prior to or concurrently with the Term Loan Facility, in a manner satisfactory to the Lender of the conditions set forth below and the acceptance of the benefits of the Term Loan Facility shall constitute a representation and warranty by the Borrower to the Lender that all the conditions specified in this Section 4.2 have been satisfied or waived by the Lender as of that time.

(a) **Performance of Obligations :**

(i) The Borrower shall have performed in all respects, all of its obligations required to be performed under the Financing Documents prior to the date of the Term Loan Facility .

(ii) The Borrower shall have paid all fees, expenses and other charges then payable by it under the Financing Documents.

(b) **Applicable Law :**

The Borrower shall have obtained all Clearances as may be required and the Lender shall have received Certified Copies of each Clearance.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



(c) **Representations and Warranties :**

All representations and warranties are true and correct in all respects.

(d) **No Event of Default has occurred :**

No Event of Default has occurred.

4.3 The Term Loan Facility :

The Borrower may utilise the Term Loan Facility during the Availability Period in accordance with this Agreement and upon compliance with the procedure stipulated in this Agreement.

4.4 No Waiver :

- (a) No course of dealing or waiver by the Lender in connection with any condition of the Term Loan Facility under this Agreement or any other Financing Document shall impair any right, power or remedy of the Lender with respect to any other condition of the Term Loan Facility, or be construed to be a waiver thereof.
- (b) Any request by the Borrower for a waiver of a condition precedent in Section 4 shall be in writing and delivered to the Lender along with the notice of the Term Loan Facility.
- (c) In the event the conditions precedent specified in Section 4 are not satisfied, the Lender shall have the right to suspend all further The Term Loan Facility.

5. INTEREST:

5.1 Interest:

The Borrower shall pay to the Lender, interest on the outstanding under the Term Loan Facility at the applicable Interest Rate, in arrears on each Interest Payment Date. All Interest Payments shall be grossed up for Applicable Interest Tax or such other Statutory Levies, if any.

Provided, that the Interest payable by the Borrower shall be subject to the changes in Interest Rates made by the Reserve Bank of India from time to time.

5.2 Default Interest:

In the event that the Borrower fails to pay any interest on the Loan, and any costs, charges, expenses and other monies accruing due to or incurred/paid by the Lender under this Agreement or any other Financing Document, on the respective Due Dates or commits any irregularity in the the Term Loan Facility of the Loan, the Borrower shall pay on the entire outstandings and/or costs, charges, expenses incurred by the Lender, default interest ("**Default Interest**") calculated at the Default Interest Rate for the period of such default. All Default Interest shall be compounded monthly and shall be payable immediately.

Provided however, the levy of Default Interest under this Section 5.2 shall not prejudice the exercise of any rights and remedies available to the Lender upon the occurrence of an Event of Default.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



5.3 Additional Interest:

The Borrower agrees that upon the failure of the Lender to comply with the terms of this Agreement (and without prejudice to Section 5.2), the respective outstandings shall carry additional interest at the rate of 1% (One percent) per annum ("**Additional Interest**"). The Additional Interest payable by the Borrower shall be in addition to the applicable Interest Rate prevailing on the Loan.

Provided that the aggregate Additional Interest to be charged by the Lender as mentioned in Section 5.2 and Section 5.3 shall not exceed 2.00 % (two decimal zero percent) per annum.

Provided however, the levy of Additional Interest under this Section 5.3 shall not prejudice the exercise of any rights and remedies available to the Lender upon the occurrence of an Event of Default.

5.4 Computation of Interest:

All interest accruing on amounts outstanding under the Term Loan Facility shall accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of three hundred and sixty five (365) days.

5.5 General :

- (a) The Borrower acknowledges that any sums, interest levied and payable (including but not limited to the Default Interest and the Additional Interest) under this Agreement is reasonable and that the Default Interest represents genuine pre-estimate of the loss likely to be incurred by the Lender.
- (b) The Borrower acknowledges that the Term Loan Facility provided under this Agreement is for a commercial transaction and waives any defences available under usury or other laws relating to the charging of interest.

6. FEES, EXPENSES AND INDEMNITY :

6.1 Payment of Expenses :

- (a) The Borrower shall, whether or not the transactions herein contemplated are consummated, pay: (i) all out-of-pocket costs and reasonable expenses (including all Taxes (including stamp taxes)), fees and disbursements of the Lender's legal advisors, duties, fees or other charges payable to the Lender and the Secured Parties in connection with (A) the preparation, notarization, execution, issue and delivery, and where appropriate, registration, or for the legality, validity, enforceability, of this Agreement, the other Financing Documents and any other documents and instruments related hereto or thereto (including legal opinions). (B) any amendment or modification to this Agreement, the Financing Documents or any such other document or instrument related hereto or thereto; (C) the registration (where appropriate) and the delivery of the evidences of Indebtedness relating to the Term Loan Facility thereof; and (D) the enforcement of this Agreement, the other Financing Documents and any other documents and instruments referred to herein and therein (including, without limitation, the fees of Lender's Legal Advisors).
- (b) The Borrower shall, whether or not the transactions herein contemplated are consummated, pay and hold the Lender harmless from and against any and all stamp and other similar taxes with respect to the matters described in Section 6.1.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



- (c) The Borrower shall pay the Lender any reimbursement of costs and expenses under any of the Financing Documents within thirty (30) days of the demand thereof from the Lender.
- (d) In case of default in making such reimbursement in accordance with Section 6.1 (c) above within thirty (30) days from the date of notice of demand, the Borrower shall also pay on the defaulted amounts, interest at the Default Interest Rate from the expiry of thirty (30) days from the date of notice of demand till reimbursement.

6.2 Indemnities:

- (a) The Borrower shall, whether or not the transactions herein contemplated are consummated, indemnify the Lender and its respective officers, directors, employees, representatives, attorneys and agents from and hold each of them harmless against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses and disbursements incurred by any of them as a result of, or arising out of, or in any way related to, or by reason of litigation or other proceeding related to the entering into and/or performance of any Financing Document or the disbursement of, or use of the proceeds of the Term Loan Facility or the implementation or consummation of any transactions contemplated herein or in any Financing Document, including, without limitation, the occurrence of any Event of Default, the reasonable fees and disbursements of counsel and any consultants selected by such indemnified party incurred in connection with any such investigation or any Legal Proceeding or in connection with enforcing the provisions of this Section 6.2(a) (but excluding any such liabilities, losses, penalties, judgments, suits, costs, expenses and disbursements to the extent incurred by reason of the gross negligence or willful misconduct of the indemnified Person, as determined by a competent court).
- (b) To the extent that the undertakings in this Section 6 may be unenforceable because they violate any Applicable Law. The Borrower will contribute the maximum portion that it is permitted to pay under Applicable Law. The Borrower hereby undertakes that it shall not raise the defense of or claim unenforceability, for any reason whatsoever, of any of the provisions of this Section 6.
- (c) The Borrower shall reimburse the Lender all such sums paid, costs incurred and indemnities specified in this Section 6 within thirty (30) days from the date of demand thereof from such Lender.
- (d) In case of default by the Borrower in making such reimbursement in accordance with Section 6.2(c) above, the Borrower shall also pay on the defaulted amounts, interest at the Default Interest Rate from the expiry of thirty (30) days from the date of notice of demand till reimbursement.

6.3 Miscellaneous Charges :

The Borrower shall, whether or not the transactions herein contemplated are consummated, pay: (i) Standard Service Charges to the Lender as applicable on the different services provided from time to time; (ii) MICR Cheque Charges levied by the Lender at the time of issuance of Cheque Books; and (iii) Standard Ledger Folio Charges levied by the Lender.

7. REPAYMENT:

All amounts utilised by the Borrower under this Agreement together with interest and all other amounts due and outstanding under this Agreement and the other Financing Documents shall be repaid in full on or the Due Dates or on demand being so made by the Lender.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



8. PREPAYMENT :

2% flat on prepaid amount upto Rs. 25.0 Crores, 1% flat on prepaid amount above Rs. 25.00 Crores with minimum Rs.50.00 Lacs will be recovered in case of prepayment of loan amount.

9. PAYMENTS :

9.1 Time, Place and Mode of Payment by the Borrower:

- (a) All payments to be made by the Borrower, whether by way of principal, interest, or all other amounts payable by the Borrower under this Agreement or any other Financing Document shall be made by the Borrower directly to the Lender at its Lending Office or at such other place as may be specified by it, by telegraphic, telex or mail transfer to the account of such Lender or by Cheque/Bank Draft drawn/ in favour of the Lender on a Scheduled Bank at Pune or such other place or through real time gross settlement or to such other account as the Lender may notify the Borrower.
- (b) All payments made by the Borrower under this Agreement shall be made without deduction, set-off or counterclaim.

9.2 Appropriation of Payments :

The Borrower agrees, declares, affirms and confirms that notwithstanding any of the provisions of the Indian Contract Act, 1872 or any other Law, or any terms and conditions to the contrary contained in this Agreement and/or any other Financing Documents, any payment(s) made by the Borrower to the Lender under this Facility shall unless otherwise agreed to by the Lender in writing be appropriated by the Lender in the following manner:

- (a) **Firstly**, towards costs, charges, expenses and other moneys, due and payable or becoming due and payable to the Lender;
- (b) **Secondly**, towards interest due and payable and/or accruing due and payable to the Lender; and
- (c) **Lastly**, towards repayment of the amount of any instalment(s) of the principal sums due and payable or becoming due and payable to the Lender;

Notwithstanding anything contained in this Section 9.2, the Lender may in its absolute discretion, appropriate in any manner, such payment towards the dues, if any, payable by the Borrower in respect of this Agreement.

9.3 Realisation at Par:

All amounts payable under this Agreement shall be so paid by the Borrower so as to enable the Lender to realise the monies at par on or before the relevant Due Date.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



10. SECURITY :

- 10.1** The Term Loan Facility, together with all Interest, Compound Interest, Default Interest, Additional Interest, premia on prepayment, costs, charges, expenses and fees or remuneration payable to the Lender and any other amounts due and payable to the Lender under the Financing Documents shall be secured by :
- (a) **A FIRST PARI-PASSU CHARGE BY WAY OF HYPOTHECATION** on all the Movable Plant and Machinery and Equipment and Movable Assets of the Borrower, both present and future ;
 - (b) **A FIRST PARI-PASSU CHARGE BY WAY OF HYPOTHECATION** on the **Receivables lying in the Escrow Account No. 000705035551 with ICICI Bank Limited, Connaught Place, New Delhi ;**
 - (c) **A FIRST PARI-PASSU CHARGE BY WAY OF MORTGAGE on the Immovable Assets of the Borrower ;**
 - (d) **A FIRST PARI-PASSU CHARGE on the Debt Service Reserve Accounts ;**
 - (e) **A FIRST PARI-PASSU CHARGE by way of Assignment of the DTH License ;**
 - (f) **IRREVOCABLE AND UNCONDITIONAL GUARANTEES** in the form prescribed by the Lender from ;
 - [i] **MR. VENUGOPAL NANDLAL DHOOT**, Age about : 61 years, Occupation : Industrialist, Residing at : 01, Videocon House, 1st Floor, 99, Manav Mandir Road, Napean Sea Road, Opposite J. M. Mehta Bus Stop, Mumbai – 400 006, [P.A.N. No. AANPD5594R];
 - [ii] **MR. PRADIPKUMAR NANDLAL DHOOT**, Age about : 52 years, Occupation : Industrialist, Residing at : Apartment No. 970, Al-Murooj Rotana Residences. DIFC Road, Opposite Dubai Mall, Dubai, United Arab Emirates [P.A.N. No. AANPD55931];
 - [iii] **SOLITAIRE APPLIANCES PRIVATE LIMITED**, a Private Limited Company bearing Company Identification No. AABCV0807C and having its Registered Office at 2275, Adat Bazaar, Ahmedabad – 414 001 [P A N. No. AABCV0807C] ;
 - [iv] **GREENFIELD APPLIANCES PRIVATE LIMITED**, a Private Limited Company bearing Company Identification No. AAACK2400R and having its Registered Office at 2275, Adat Bazaar, Ahmedabad – 414 001 [PAN No. AAACK2400R] ;
 - [v] **PLATINUM APPLIANCES PRIVATE LIMITED**, a Private Limited Company bearing Company Identification No. AAACD5538M and having its Registered Office at 2275, Adat Bazaar, Ahmedabad – 414 001 [P.A.N. No AAACD5538M] ;
- 10.2** The Security specified hereinabove shall be created in favour of the Lender or a Trustee acting for the benefit of the Lender, in a form and manner that is satisfactory to the Lender. The Borrower shall obtain all necessary Clearances, if any, required for creation and perfection of the Security as above.
- 10.3** The Borrower shall ensure the Security to be created on the Charged Assets referred to in Section 10.1 (a) above is created and perfected prior to availing the Term Loan Facility.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



- 10.4** The Borrower shall do all such acts, deeds, matters and things and execute such other documents, which in the Lender's opinion shall be necessary or advisable to perfect the Security including filing of the charge with the Registrar of Companies within thirty (30) days of creation of the Security.
- 10.5** Notwithstanding anything contained herein, the Borrower shall prior to creation of the Security submit to the Lender, a Certificate of the Statutory Auditor of the Borrower, certifying that the creation of the Security as stipulated in Section 10 (*Security*) is within the limits stipulated by the Shareholders of the Borrower pursuant to Section 293 (1)(a) of the Companies Act, 1956.
- 10.6** The Lender may, at its discretion stipulate the appointment of a Security Trustee, in whose favour the Security shall be created. The Borrower shall execute all required deeds, documents and writings, and take all other actions as may be required for the purpose of appointing such a Security Trustee. All costs thereof and related thereto shall be borne by the Borrower.
- 10.9** In respect of any of the Charged Assets stored and held in godowns or owned or hired by or let to the Borrower, the Borrower shall provide the Lender and its agents and nominees with an unimpaired access to the godowns at all times and where the godowns are hired by or let to the Borrower, the Borrower shall furnish to the Lender a letter from the landlords/owners consent to continue such unimpaired access to the godowns to the Lender and its agents and nominees and also declaring that notwithstanding any claim for any unpaid rent the landlords/owners acknowledge the prior claim of the Lender on all the goods movables and other assets stored and held therein and charged, or otherwise charged to the Lender and that the Lender and its agents and nominees shall have the right, to remove the goods, movables and other assets so stored and held in the godowns whenever desired by the Lender.
- 10.10** The Borrower shall not compound or release any of its book-debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the Lender.
- 10.11** The Borrower agrees that the Lender shall have the right to securitize the Charged Assets and in the event of such securitization, the Lender is not bound to send an individual intimation of the said securitization to the Borrower.
- 10.12** The Borrower acknowledges that the Lender will have a First Charge on their profits, after provision for taxation and dividend where applicable, for repayment of instalments under the Term Loan granted/deferred payment guarantees executed by the Lender or other repayment obligations, if due from the Borrower to the Lender.
- 10.13** The Borrower agrees that it shall not without the prior written consent of the Lender dispose or create any Security Interest on the Charged Assets.

11. REPRESENTATIONS AND WARRANTIES :

In order to induce the Lender to enter into this Agreement and the Financing Documents, the Borrower makes the following representations and warranties as of the date hereof, which representations and warranties shall survive the execution and delivery of this Agreement:

11.1 Status:

The Borrower is a Limited Company, duly and validly incorporated under the Companies Act, 1956 and has the power to own its property and assets and carry on its business as it is now being conducted.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



11.2 Power and Authority :

The Borrower has the Corporate power and authority to enter into and perform this Agreement, and the other Financing Documents, and the transactions contemplated hereby and the Borrower has taken all necessary action to authorize the entry into performance of this Agreement and the other Financing Documents and the transactions contemplated hereby. The availing of the Term Loan Facility under this Agreement will not cause any Borrowing Limit binding on the Borrower to be exceeded.

11.3 Legal Validity :

This Agreement and the other Financing Documents constitute legal, valid and binding obligations on the Borrower enforceable in accordance with their respective terms and law and would be so treated in the Courts and/or Tribunals of India and this Agreement and the other Financing Documents are in proper form for their respective enforcement in such Courts and Tribunals.

11.4 Non-Conflict:

The entry into and performance of this Agreement and the other Financing Documents and the transactions contemplated hereby do not and will not conflict with: (i) Applicable Law as of the date hereof; or (ii) the Memorandum or Articles of Association of the Borrower, (iii) any borrowing limit applicable to the Borrower; or (iv) any agreement or document including any mortgage, trust deed, arrangement, obligation or duty to which the Borrower is a party to or by which it may be bound.

11.5 No Default:

- (a) No Event has occurred which constitutes default (or which may, with the giving of notice, lapse of time, determination of materiality or the fulfillment of any other applicable condition or any combination of the foregoing, constitute default) by the Borrower under or in respect of any agreement or document to which the Borrower is a party or to which the Borrower may be bound.

11.6 Compliance with Laws :

The Borrower is in compliance in all respects with all Applicable Laws and all clearances, approvals and authorisations required or necessary for it to carry on its business are in full force and effect.

11.7 Good Title :

The Borrower owns the property, assets and revenues on which it grants or purports to grant Security Interest(s) pursuant to the Security Documents, in each case free and clear of any encumbrance and further confirms that the Security Interest(s) created or expressed to be created by the Security Documents is valid and enforceable.

11.8 Security :

- (a) The Borrower certifies that all Security Documents when executed, delivered and registered, (where necessary or desirable) and when appropriate forms are filed as required under Applicable Law, shall create the Security expressed to be created thereby over the Charged Assets.
- (b) No Security Interest exists or has been promised to be created upon any of the Charged Assets in favour of any Person other than as disclosed to the Lender prior to the execution of this Facility Agreement.
- (c) The Borrower shall make out a good and marketable title to its properties to be secured in favour of the Lender to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



11.9 Insurance:

The Borrower certifies that all Insurance Contracts required by the Lender have been put in place at the times and in the manner required herein and are as contemplated herein in full force and effect and no event or circumstances has occurred nor has there been any omission to disclose a fact which in any such case would entitle any insurer to avoid or otherwise reduce its liability there under to less than the amount provided in the relevant policy and insurance coverage provided by such insurance. The Borrower has complied with its obligations with respect to insurance under this Agreement and the Financing Documents.

11.10 All Representations and Warranties :

The Borrower confirms that all representations and warranties of the Borrower set forth in the Financing Documents are true, complete and correct in all respects at the time as of which such representations and warranties were made or deemed made.

11.11 Transactions with Affiliates :

The Borrower is not a party to any contracts or agreements with, nor has any other commitments to any of its Affiliates other than on an arms-length basis.

11.12 Investments:

Other than investments permitted by the Lender or disclosed to the Lender prior to the Term Loan Facility and any trade credit or security deposits in the normal course of business, the Borrower has not acquired an equity interest in, loaned money, extended credit or made deposits with or made advances to any Person or purchased or acquired any stock, obligations or securities of, or any other interest in, or made any capital contribution to, or acquired all or substantially all of the assets of, any other Person, or purchased or otherwise acquired (in one or a series or related transactions) any part of the property or assets of any Person.

11.13 Consents :

All clearances, authorisations, approvals, consents, licenses, exemptions, filings, registrations, notarisations and other matters, official or otherwise, including but not limited to any governmental and third party approvals and consents required or advisable in connection with the entry into performance, validity and enforceability of this Agreement and the other Financing Documents and the transactions contemplated hereby and thereby have been obtained or effected and are in full force and effect.

11.14 Accounts :

The Original Financial Statements (which accounts have been prepared by the Statutory Auditor in accordance with accounting principles and practices generally accepted in India ("GAAP") consistently applied) of the Borrower gives a true and fair view of the financial condition of the Borrower as at that date and since that date there has been no material adverse change in the financial condition of the Borrower as shown in such Audited Accounts. The Borrower did not have at that date any liabilities (contingent or otherwise) which were not disclosed thereby (or by the notice thereto) or reserved against therein nor were there at that date any unrealized or anticipated losses of the Borrower arising from commitments entered into by it which were not so disclosed or reserved against.

11.15 No Material Adverse Change :

There is not in existence any Material Adverse Effect.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



11.16 True and Complete Disclosure :

- (a) The Borrower certifies that their financial statements delivered to the Lender are accurate in all respects as of the date of such statements.
- (b) The Borrower certifies that all information or documents furnished to the Lender or any representatives of the Lender in connection with the transaction contemplated hereby, by or on behalf of the Borrower is true, correct and complete in all respects on the date hereof, and is not false or misleading in any respect nor incomplete by omitting to state any fact necessary to make such information not misleading in any respect. No fact is known to the Borrower which could be expected to have a Material Adverse Effect which has not been disclosed in writing to the Lender prior to the date of execution of this Agreement.

11.17 Taxes :

(a) **Tax Liabilities :**

The Borrower is not in default or in arrears of any statutory dues such as Income Tax and all other Taxes and Revenues payable to the Central or State Government or any Local or other Authority unless contested in good faith by the Borrower and adequate reserves have been set aside in respect thereof.

(b) **Taxes on Payments :**

All amounts payable by the Borrower to the Lender under the Financing Documents may be made free and clear of and without deduction for or on account of any tax.

11.18 Admissibility in Evidence :

Each Financing Document, and any documents to which it relates is admissible as evidence in proceedings before any Court or Tribunal in India.

11.19 No Immunity :

The Borrower agrees that no immunity (if acquired) shall be claimed by it or on its behalf with respect to its assets in any proceedings in relation to its obligations under this Agreement and the other Financing Documents and shall waive any such right of immunity which it or its assets has or may acquire.

11.20 Dissolution :

The Borrower has not taken any action and no other steps have been taken or Legal Proceedings started by or against it in any Court of Law for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Borrower or of any or all of its assets.

11.21 No Other Business :

The Borrower is not engaged in any business or activities, either alone or in partnership or joint venture other than those disclosed to, or permitted by, the Lender.

11.22 No Misleading Information :

Any factual information provided by it (whether in connection with the Term Loan Facility or otherwise) was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



11.23 Time for Making of Representations and Warranties :

The representations and warranties set out in this Section 11 (*Representations and Warranties*) (save for Section 11.14 (*Accounts*)) shall survive the execution of this Agreement and the making of the Loan hereunder and shall be deemed to be repeated on each date on which proceeds of a The Term Loan Facility are applied by the Borrower, each Interest Payment Date, each date of payment of repayment instalment and the Maturity Date so long as the Term Loan Facility is in force or any amount is or may be outstanding hereunder with reference to the facts and circumstances then subsisting, as if made at each such time.

12. COVENANTS :

The Undertakings in this Section 12 (*Covenants*) shall remain in force from the date hereof until the Final Settlement Date.

12.1 Payment of Fees :

The Borrower shall pay to the Lender and its agents, all fees and expenses payable to them under the Financing Documents at the times, and in the manner specified in this Agreement and the Financing Documents.

12.2 Consents and Compliance :

The Borrower shall, to the satisfaction of the Lender promptly obtain, renew from time to time and comply with all authorisations, approvals, consents, permits, licenses, exemptions and submit reports, as may be required under Applicable Law :

- (a) for the purpose of its business;
- (b) to enable it to perform its obligations under this Agreement and under the other Financing Documents; and
- (c) for the validity or enforceability of this Agreement and the other Financing Documents;

and the Borrower shall comply with the terms of the same and all Applicable Law to which they are subject.

12.3 Change of Business :

The Borrower shall ensure that there is no substantial change made to the general nature or scope of the business of the Borrower from that carried on or existing at the date of execution of this Agreement by the Borrower.

12.4 Maintenance of Status and Property :

The Borrower shall:

- (a) do all such things as are necessary to maintain its existence;
- (b) ensure that it has the right and is duly qualified to conduct its business as it is conducted in all applicable jurisdictions;
- (c) keep all properly useful and necessary in and for its business in good working order and condition and will carry out its operations with due diligence and efficiency; and

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



- (d) maintain title to or its interest in all its properties forming part of the Charged Assets and shall take all actions necessary to create and perfect at all times its interest in all its properties forming part of the Charged Assets.

12.5 Insurance :

- (i) The Borrower shall ensure that insurance over its assets, as required in accordance with this Agreement, is maintained with financially sound and reputable insurers acceptable to the Lender against fire, theft, lightning, explosion, earthquake, riot, strike, civil commotion, storm, tempest, flood, marine risks, erection risks and such other risks as may be specified by the Lender.
- (ii) Within fifteen (15) days after the effective date of any new or renewed insurance policy, as provided in Section 12.5 (i) above, submit to the Lender a certificate, from the Borrower's insurance broker indicating the properties insured, the type of insurance, amounts and risks covered, names of the beneficiaries, expiration dates, names of the insurers and special features of the insurance policies in effect on the date of such certificate, such policies to be in form and substance, and issued by companies, satisfactory to the Lender.
- (iii) The Borrower shall deliver to the Lender on a monthly basis a certificate, from the Borrower's Insurance Broker indicating the current list of properties insured, the type of insurance, amounts and risks covered, names of the beneficiaries, expiration dates, names of the insurers and special features of the insurance policies in effect on the date of such certificate, such policies to be in form and substance, and issued by companies, satisfactory to the Lender.
- (iv) The Borrower shall duly pay all premia and other sums payable and perform all actions necessary to ensure that the insurance as required in accordance with this Agreement is maintained. The insurance in respect of the aforesaid Charged Assets shall be taken in the names of the respective Borrower and will be endorsed in favour of the Lender and any other person or institution having an insurable interest in the assets of the Borrower (pursuant to the approval of the Lender) and acceptable to Lender. The Borrower shall ensure that, the Lender is named as a "loss payee" in each insurance policy in respect of the aforesaid assets or any part thereof.
- (v) The Borrower shall ensure that every insurance policy referred to in Section 12.5 (i) above shall contain a clause that provides that such insurance shall not be vitiated or avoided as against a mortgagee or assignee, in the event of or as a result of any misrepresentation, action, negligence or failure to make disclosure of any fact on the part of the insured party; or for reasons or circumstances beyond the control of the insured party.
- (vi) The Borrower agrees that, in the event of failure on the part of the Borrower to insure the Charged Assets or to pay the insurance premia or other sums or perform all necessary actions referred to above, the Lender may at its sole discretion and at the cost, expense and risk of the Borrower, get the Charged Assets insured or pay the insurance premia and perform all necessary actions, as the case may be.
- (vii) The Borrower shall deliver to the Lender promptly and in no event, later than Thirty (30) days after the same are issued, copies of all policies of insurance and renewal thereof and original endorsements thereto.
- (viii) If any Secured Party or the Lender shall pay any insurance premiums on behalf of any of the Borrower in respect of any insurance policies required to be obtained by the Borrower hereunder, the amounts paid shall be and remain due and payable to the Lender by the Borrower.
- (ix) All insurance proceeds received by any of the Borrower pursuant to or under the Insurance Contracts shall be forthwith applied to repay the Term Loan Facility. Provided the Borrower may with the prior written consent of the Lender apply such proceeds to replace the insured assets.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



12.6 Arm's Length Dealings :

The Borrower will not enter into any arrangement, agreement or commitment with any Affiliate or group company or pay any fees, commissions or other sums on any account whatsoever to any Persons other than in the ordinary course of trading, at arm's length and on normal commercial terms;

12.7 Amendment of Memorandum or Articles of Association :

The Borrower shall obtain the prior written consent of the Lender, in relation to any amendment to its Memorandum or Articles of Association which is likely to have a Material Adverse Effect or which is in contravention of the provisions of the Financing Documents. The Borrower also agree to amend the Memorandum and Articles of Association, as may be deemed necessary by the Lender.

12.8 Borrower not to appoint certain Persons Director:

The Borrower shall not appoint on its Board of Directors and undertakes to take expeditious and effective steps to effect the removal of any Director from its Board of Directors, if such Director is declared or identified as a Wilful Defaulter by the Lender or the Reserve Bank of India or CIBIL in the Wilful Defaulters List of Reserve Bank of India or CIBIL.

12.9 Change in Authorised Officers :

The Borrower shall inform the Lender of any change in the Authorised Officers, giving Certified Specimen Signatures of any New Officer so appointed and, if requested by the Lender, satisfactory evidence of the authority of such New Officer.

12.10 Inspection :

The Borrower will permit at all times officers of the Lender and/or qualified auditors, technical experts and/or management consultants engaged by the Lender to carry out technical, legal or financial inspections of any of its properties, including its stock in trade, inventory, raw materials, finished goods, factories and books of account and to examine and make copies of the books of record and accounts, and discuss the affairs, finances and accounts of the Borrower with, and be advised as to the same, by its Officers. All costs incurred in respect of such visit shall be borne by the Borrower.

12.11 Accounting and Audit Matters :

- (a) The Borrower should maintain books of accounts as is required to be maintained under Applicable Law and the Financing Documents and such books of accounts as are adequate should correctly reflect the financial condition and scale of operations of the respective Obligor which shall contain full, true and correct entries in conformity with GAAP consistently applied and all requirements of Applicable Law.
- (b) The Borrower shall not change its system of accounting without prior written notice to the Lender unless required by Law.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



12.12 Taxes and Duties and Proper Legal Form :

The Borrower shall pay, or cause to be paid:

- (a) all Taxes (including stamp taxes), duties, fees, or other charges payable on or in connection with the execution, issue, delivery, registration, or notarized, or for the legality, validity, or enforceability of any of the Financing Documents and any other documents related to thereto; and
- (b) all Taxes, duties and fees payable by the Borrower under the Applicable Law, including but not limited to payment of (i) all present and future Taxes imposed on it prior to the date when due and (ii) all present and future claims, levies or liabilities (including for labour, services, materials and supplies) which have become due and payable and which have or, if unpaid might have become a Security Interest upon, or otherwise have a Material Adverse Effect on, the property of the Borrower (or any part thereof).

Provided however, that the Borrower shall, not be required to pay any amount otherwise payable, if such amount is being contested in good faith.

Provided, that the Borrower shall promptly pay or cause to be paid any valid, final judgment enforcing any such Taxes or other claims, levies or liabilities of the Borrower

12.13 Management/ Key Personnel :

The Borrower shall appoint suitable technical personnel for carrying on its business.

12.14 Transfer of Controlling Interest:

The Borrower shall:

- (a) ensure that the Promoters of The Borrower (as on the date of execution of this Agreement) at all times control the Borrower; and
- (b) not without the prior written consent of the Lender, permit any transfer of controlling interest in the Borrower.

12.15 Valuation :

The Borrower shall ensure that in each calendar month, it carries out a valuation of:

- (a) its Plant and machinery and Equipment at current market rates or government controlled rates or invoice rates whichever is the lowest;

12.16 Security Cover:

The Borrower shall ensure that the Loan is fully covered by the value of the Security less the market value of the Plant, Machinery and Equipment purchased. If at any time the value of the security cover falls below the amounts disbursed under the Term Loan Facility, the Borrower shall forthwith inform the Lender and repay the excess outstandings.

12.17 Revaluation:

The Borrower shall obtain the prior written consent of the Lender before revaluing their assets and properties during the currency of the Facility.

12.18 Commission :

The Borrower shall obtain the prior written consent of the Lender before paying any commission or royalty payments to its directors, managers, its Affiliates, any Person or any of the Borrower in connection with any such Person furnishing any guarantee, counter guarantee, undertaking or indemnity on behalf of the Borrower or for any liability relating to or for purposes of the Facility.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



The Borrower shall maintain its financial year-end from 31st December (or such other date as may be approved by the Lender).

12.19 Financial Year End :

The Borrower shall maintain its financial year-end from 31st December (or such other date as may be approved by the Lender).

12.20 Repayment of Shareholders Contribution :

The Borrower shall obtain the prior written consent of the Lender before

- (a) Repayment any amounts, deposits or loans advanced to the Borrower by its promoters, directors, shareholders and their friends and relatives (collectively "**Shareholder Contributions**") provided the same is brought in as quasi-equity.
- (b) Payment of all interest, fees and repayment of principal by the Borrower in respect of such Shareholder Contributions shall be subject to the Borrower having surplus funds after making regular payment of interest and principal in respect of its indebtedness, setting aside amounts towards statutory reserves and payment of all statutory levies and dues.

12.21 Subordination :

The Borrower shall ensure that:

- (a) All interest or fees payable by the Borrower in respect of the Shareholder Contributions shall be less than the Interest Rate payable by the Borrower to the Lender in respect of the Facility.
- (b) Repayment of the Shareholder Contributions shall be subordinate to all other Indebtedness of the Borrower. All Shareholder Contributions shall be unsecured.
- (c) All Unsecured Loans /Deposits raised by the Borrower for financing a project are always subordinate to the loans availed by the Borrower from banks and financial institutions and shall be permitted to be repaid only with the prior approval of all the concerned banks and financial institutions.

12.22. Nominee Director:

- (a) The Borrower acknowledges and consents to the right of the Lender to appoint and replace at any time during the subsistence of the Facilities, a director on the board of directors of such Obligor ("Nominee Director"), and will take all corporate action to effectuate such right (including, without limitation, amending such Obligor's articles of association, if required).
- (b) The Nominee Director shall:
 - (i) not be required to hold qualification shares nor be liable to retire by rotation;
 - (ii) be appointed a member of committees of the board of directors of any or all the Borrower, if so desired by the Lenders.
- (c) Any expenditure incurred by the Lenders and/ or the Nominee Director in connection with appointment of Nominee Director shall be borne and payable by the Borrower.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



- (d) The Nominee Director shall be entitled to receive all notices, agenda, etc. and to attend all General Meetings and Board Meetings and Meetings of any committees of the Board of which they are member.
- (e) If, at any time, the Nominee Director is not able to attend a meeting of the board of directors or any of its committees of which they are members, the Lenders may depute an authorised representative to attend the meeting. The expenses incurred by the Lenders in this connection shall be borne and payable by the Borrower.
- (f) The Nominee Director shall furnish to the Lender a report of the proceedings of all such meetings and the Borrower shall not have any objection to the same.
- (g) The appointment/removal of the Nominee Director shall be by a notice in writing by the Lender addressed to any Obligor and shall take effect forthwith upon such a notice being delivered to respective Obligor.
- (h) The Nominee Director shall be entitled to all the rights, privileges and indemnities of other directors including the sitting fees and expenses as are payable by the Borrower to the other directors, but if any other fees, commission, monies or remuneration in any form are payable by the Borrower to the directors in their capacity as directors, the fees, commission, moneys and remuneration in relation to such Nominee Director shall accrue to the Lenders and the same shall accordingly be paid by the respective Obligor directly for the respective accounts of the Lenders; provided, that if such Nominee Director is an officer of a Lender, the sitting fees in relation to such Nominee Director shall accrue to the relevant Lender, as the case may be, and the same shall accordingly be paid by the Borrower directly to the Lender for its account. Any expenditure incurred by the Nominee Director or any Lender in connection with such appointment or directorship shall be borne by the Borrower. For avoidance of doubt, it is hereby clarified that the remuneration, fees and expenses payable to whole time directors of the Borrower, shall not be payable to the Nominee Director.

12.23 Conversion Right:

The Lender may, at any time, convert all or any portion of the amounts due and unpaid by the Borrower under the Financing Documents into equity shares of any of the Borrower, at a mutually acceptable formula.

12.24 Maintenance of Adequate Funds :

The Borrower shall at all times until the Final Settlement Date, maintain adequate and suitable funds in the concerned bank account(s) on which the postdated cheques submitted by Borrower to the Lender pursuant to Section 4.1(e) have been drawn, such that the said cheques may be duly honoured on presentment. Additionally, the Borrower shall not change the authorised signatories of the above referred bank accounts during the currency of the Facility.

13. INFORMATION COVENANTS :

- (a) The Borrower will furnish to the Lender:
 - (i) five copies of their respective Audited Financial Statements within one hundred and eighty (180) days of the close of each Fiscal Year or immediately upon being published or signed by its statutory auditors, whichever is earlier, and the half yearly unaudited financial statements, including profit and loss account and balance sheet, of the within sixty (60) days of the close of each half year, togetherwith their respective related statements of income, retained earnings and cashflows for the relevant period;
 - (ii) at all times (I) within one hundred and twenty (120) days following the completion of each Fiscal Year or within ten (10) days of publishing of the annual audited accounts, whichever is earlier, or within such other time as may be prescribed by the Lender, a certificate of its Statutory Auditor stating that in the course of its regular audit of the financial statements of each of the Borrower, which audit was conducted in accordance with Indian GAAP as of the end of the relevant Fiscal Year; and (II) any other related information requested by the Lender;

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



- (iii) promptly with such other material financial information/ financial statements relating to the Borrower as the Lender may from time to time reasonably require within five (5) days notice thereof by the Lender or any Secured Party; and
- (iv) promptly, within thirty (30) days of availing of a the Term Loan Facility of the Facility, a certificate from its statutory auditor confirming the end use of the proceeds of the Term Loan Facility .
- (b) The Borrower shall promptly notify the Lender (and in any event within five (5) days the occurrence of:
 - (i) any one or more events, conditions or circumstances (including any event of force majeure or any on-going or threatened labour strikes, lockouts, shutdowns, slowdown or work stoppage by the Borrower', employees or any scarcity or unavailability of materials or equipment or fire or other similar event) that exist or have occurred that has, had or could reasonably be expected to have a Material Adverse Effect;
 - (ii) any one or more events, conditions or circumstances that exist or have occurred that has, had or could be expected to have a substantial effect on the Borrower business or profits, the reasons for such existence or occurrence and the remedial steps that are being taken by the Borrower;
 - (iv) any legal proceeding pending or threatened against the Borrower that may have a Material Adverse Effect;
 - (v) any notice or correspondence received or initiated by the Borrower relating to a Clearance necessary for the performance of its obligations under the Financing Documents;
 - (vi) any Event of Default forthwith upon the occurrence thereof;
 - (vii) of any notice of any application for winding up of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Companies Act or any other notice under any other Applicable Law or otherwise of any suit or legal process intended to be filed or initiated against the Borrower and affecting the title to the property of the Borrower or if a receiver is appointed of any of the properties or business or undertakings of the Borrower; and
 - (viii) financial position of its Affiliates or companies in which the Borrower has made investments being adversely affected, including any action taken by the creditors of the aforesaid Affiliates or companies.
- (c) The Borrower shall promptly deliver to the Lender, but in any event within 10 (ten) days of receipt or execution as the case may be. copies of:
 - (i) any amendment, supplement or other modification to any Clearances after the date of the initial The Term Loan Facility ;
 - (ii) all notices received from any Government Authority in relation to the Facility, and
 - (iii) any clearance or authorisation granted to the Borrower for carrying on their business which is subsequently withdrawn or which is likely to have a Material Adverse Effect.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



14 NEGATIVE COVENANTS:

The Borrower shall not, without the prior written consent of the Lender, undertake any of the following actions.

14.1 Permitted Indebtedness :

Incur or assume any Indebtedness either secured or unsecured with any other bank, financial institution, company, or otherwise or accept deposits other than such Indebtedness as indicated in the fund flow statement which is approved by the Lender from time to time.

14.2 No Other Business or Activity :

Carry on any other business or activity other than sale of products arising out of its own manufacturing process or undertake any guarantee obligations on behalf of any other company (including any group company) (except as required under this Agreement).

14.3 Expansion :

Undertake any new project, implement any scheme of expansion or acquire any fixed assets except as indicated in the fund flow statement submitted which is approved by the Lender from time to time.

14.4 Amalgamation and Restructuring :

Enter into any transaction of or formulate any scheme of merger, consolidation, amalgamation or reconstruction.

14.5 Dividends :

Declare any dividend on its share capital in any year out of the profits of that year or any previous year without ensuring that adequate provisions have been made and no repayment obligations remain unsatisfied.

14.6 Security Interest:

Create, incur, assume or suffer to exist any Security Interest upon or with respect to any property, revenues, receivables or assets of the Borrower (other than the Charged Assets), in favour of any institution, bank, company, firm or persons.

14.7 Advances, Investments and Loans :

Purchase or acquire any stock, shares, securities of, or any other interest in, or make any capital contribution to or lend money or credit or make deposits with or advances. The Borrower may however provide trade credit or security deposits or advances to employees in the ordinary course of business.

14.8 Share Capital:

- (a) issue equity or preference capital or change its capital structure, any securities convertible into or exchangeable for its equity or preference capital and any rights to subscribe for or to purchase, or any option for the purchase of, or any agreements, arrangements or understandings providing for the issuance (contingent or otherwise) of, or any calls, commitments or claims of any characters relating to its equity or preference capital except to the extent permitted under the Financing Documents; or
- (b) buy back, cancel, retire, reduce, redeem, repurchase, purchase or otherwise acquire any of its share capital now or hereafter outstanding, or set aside any funds for the foregoing purposes, except redemption of any preference share capital issued as on the date of execution of this Agreement.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



14.9 Change in Management and Remuneration of Directors :

Make any material change to its management; or change its practice with regard to remuneration of directors and pay any commission to the directors for any reason whatsoever.

14.10 Change in Capital Structure :

Effect any change to its capital structure or issue securities. For the purpose of this Section, "securities" shall have the same meaning as provided in the Securities Contracts (Regulations) Act, 1956.

14.11 Miscellaneous :

Enter into any contractual obligation of a long term nature or that may have a Material Adverse Effect.

15. EVENTS OF DEFAULT AND REMEDIES :

15.1 Events of Default:

The occurrence of any of the following events shall constitute an event of default (hereinafter referred to as an "**Event of Default**").

Provided, that an Event of Default shall cease to be an Event of Default if it has been cured to the satisfaction of the Lender or has been waived by the Lender.

15.2 Payment Default:

The Borrower does not pay on any Due Date unless otherwise permitted by the Lender, any amount payable by it to the Lender under the Financing Documents at the place and in the currency expressed to be payable.

15.3 Non Creation of Security :

The Borrower fails to create and maintain Security Interest over the Charged Assets and/or perfect the Security as specified in the Financing Documents.

15.4 Non Compliance with Other Terms :

The Borrower commits a breach in compliance with any other provision of the Financing Documents and such breach is not cured within seven (7) Business Days.

Provided, that with respect to the specific Events of Default listed in Section 15.2 to Section 15.19 of this Agreement, the respective cure periods specified therein shall be applicable to such Events of Default in the manner specified therein.

15.5 Misrepresentation :

Any representation, warranty or statement made or repeated in, or in connection with the Financing Documents or any of the transactions contemplated there under, or in any accounts, certificate, statement, opinion or the information delivered by or on behalf of any Obligor hereunder or there under or in connection herewith or therewith is incorrect in any material respect when made or deemed to be repeated, which incorrectness, if and to the extent it is capable of being remedied, is not remedied in full within ten (10) Business Days after knowledge thereof by such Borrower. Any Obligor shall promptly on becoming aware of any misrepresentation as provided herein above notify the Lender of such misrepresentation and the steps taken to remedy the same.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



15.6 Failure to Perform, Breach and Non Compliance :

- (a) The Borrower shall fail to obtain, renew, maintain or comply in all respects with any Clearance for the execution, delivery, performance and enforcement of the Financing Documents, or any such Clearance shall be rescinded, terminated, suspended, modified or withheld or shall be determined to be invalid or shall cease to be in full force and effect, or any proceedings shall be commenced by or before any Government Authority for the purpose of rescinding, terminating, suspending, modifying or withholding any such Clearance; or
- (b) The Borrower sells, assigns, disposes, charges or otherwise encumbers or places a Security Interest on any of its Charged Assets without the prior written approval of the Lender

15.7 Court Order, Government Actions :

- (a) Any Government Authority shall have condemned, nationalized, seized, or otherwise expropriated all or any part of the property or other assets of any of the Borrower, or shall have assumed custody or Control in any of the Borrower or their property or other assets or of the business or operations of any of the Borrower or shall have taken any action for the dissolution of any of the Borrower or any action that would prevent the Borrower or their officers from carrying on its business or operations or a substantial part thereof;
- (b) an attachment or restraint has been levied on the assets of any of the Borrower resulting in a Material Adverse Effect;
- (c) failure by the Borrower to pay one or more amounts due under any judgments or decrees which shall have been entered against it unless such judgment or decree is appealed against within the time period prescribed by law;
- (d) failure by any of the Borrower (other than the Borrower) to pay one or more amounts due under any judgments or decrees which shall have been entered against any of them, resulting in Material Adverse Effect; or
- (e) any Legal Proceeding under, or relating to any Applicable Law shall have been instituted against any of the Borrower, which has or can be reasonably expected to have a Material Adverse Effect.

15.8 Failure to Maintain Insurance :

- (a) If the Borrower fails to procure and maintain insurance in accordance with this Agreement.
- (b) Any insurance contracted or taken by the Borrower is not, or ceases to be, in full force and effect for a period of more than fifteen (15) days at any time when it is required to be in effect or any insurance is avoided, or any insurer or re-insurer avoids or suspends or becomes entitled to avoid or suspend, any insurance or any claim under it or otherwise reduce its liability under any insurance or any insurer of any insurance is not bound, or ceases to be bound, to meet its obligations in full or in part under any insurance.

15.9 Security in Jeopardy :

If, in the opinion of the Lender, the Security for the Term Loan Facility is in jeopardy or ceases to have effect or if any Financing Document including any Security Document executed or furnished by or on behalf of the Borrower becomes illegal, invalid, unenforceable or otherwise fails or ceases to be in effect or fails or ceases to provide the benefit of the liens, rights, powers, privileges or Security Interests purported or sought to be created thereby or if any such Financing Document shall be assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the Lender.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



15.10 Financing Documents :

This Agreement or any of the other Financing Documents or any provision hereof or thereof:

- (a) is or becomes invalid, illegal or unenforceable or any party thereto (except the Lender) shall have repudiated or evidences an intention to repudiate or disavowed or taken any action to challenge the validity or enforceability of such agreement;
- (b) except as otherwise expressly permitted hereunder, ceases to be in full force and effect except at the stated termination date thereof, or shall be assigned or otherwise transferred or prematurely terminated by any party thereto prior to the repayment in full of all Secured Obligations (other than with the prior written consent of the Lender).

15.11 Liquidation Proceedings :

The Borrower has admitted in writing its inability to pay its debts as they mature or any proceeding is initiated, order is made, resolution passed or other action taken (or any other process, which in the opinion of the Lender, is analogous thereto is initiated) for the suspension of payment or dissolution, termination of existence, liquidation, winding-up or bankruptcy of any of the Borrower.

15.12 Reconstruction :

An Asset Reconstruction Company or a Secured Creditor (as such terms are defined in the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interests Act, 2002) has taken or has threatened to take any action pursuant to the said Act in respect of any of the Borrower or the whole or any material part of the assets of any of the Borrower, and such threat is not removed within a period of forty five (45) days from the occurrence thereof or within thirty (30) days from the date of any notice from the Lender regarding such event, whichever is shorter.

15.13 Ceasing to carry on Business :

- (a) Any of the Borrower ceases, or threatens to cease, to carry on all or a substantial part of its business.
- (b) Any of the Borrower materially changes or threatens to materially change the general nature or scope of its business from that carried on at the date of execution of this Agreement by the Borrower.

15.14 Revocation of Authorisations :

Any authorisation, approval, consent, license, exception, filing, registration, notarisation or other requirement necessary to carry on its business as is substantially being carried on the date of execution of this Agreement by the Borrower is modified, revoked or withheld or does not remain in full force and effect, and such modification, revocation, withholding or ineffectiveness is not cured within a period of forty five (45) days from the occurrence thereof or within a period of forty five (45) days from the date of any notice from the Lender regarding such event whichever is later.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



15.15 Obligations Illegal:

- (a) It is or it becomes unlawful for any of the Borrower or any Person (including the Lender) to perform any of their respective obligations under this Agreement or any Financing Document;
- (b) This Agreement or any Financing Document or any provision thereof are required by any law to be amended, waived or repudiated; or
- (c) Any obligation under this Agreement or any Financing Document is not or ceases to be a valid and binding obligation of any Person party to it or becomes void, illegal, unenforceable or is repudiated by such Person (other than the Lender).

15.16 Material Adverse Effect:

Other than the specific Events of Default listed in Section 15.2 to 15.19 of this Agreement, one or more events occurs (including any change in law) or exists which in the opinion of the Lender, could have a Material Adverse Effect and such event is not cured within a period of thirty (30) days from the occurrence thereof or within thirty (30) days from the date of any notice from the Lender regarding such event.

15.17 Litigation :

Commencement of or existence of any Legal Proceedings, investigation or proceeding that may have a Material Adverse Effect or that purports to affect the Term Loan Facility or the transactions contemplated thereby, and such Legal Proceedings, investigation or proceeding, is not vacated, stayed, discharged or called off within a period of thirty (30) days from the occurrence thereof or within thirty (30) days from the date of any notice from the Lender regarding such event whichever is later.

15.18 Expropriation Events :

Any government (including any political or administrative sub-division thereof), Government Authority, agency, official or entity takes or threatens any action:

- (a) for the dissolution of any of the Borrower, or any action which deprives or threatens to deprive any of the Borrower: (a) from conducting any of its businesses or carrying out its operations in the manner it is being conducted or carried out, or (b) of the use of all or a substantial part of its assets.
- (b) to revoke or terminate or to refuse to provide or renew any authorisation or to impose onerous conditions on or on the grant or renewal of any authorisation; or
- (c) with a view to regulate, administer, or limit, or assert any form of administrative control over the rates applied, prices charged or rates of return achievable, by any of the Borrower in connection with its business;

which, in each case, in the opinion of Lender, could have a Material Adverse Effect.

15.19 Notification of Default:

The Borrower shall promptly notify the Lender in writing upon becoming aware of any default and any event which constitutes (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other conditions, would be likely to constitute) an Event of Default and the steps, if any, being taken to remedy it.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



15.20 Consequences of Event of Default:

Upon the occurrence of an Event of Default and if the Borrower fails to cure such Event of Default within the respective cure periods as specified herein above, the Lender may:

- (a) place the Loan on demand or declare all amounts payable by the Borrower in respect of the Term Loan Facility to be due and payable immediately, in such event the Borrower shall reimburse the Lender for all losses and expenses (including loss of profit) incurred in liquidating or employing deposits from third parties to effect or maintain the Loan or any part of it. The certificate of the Lender as to the amount of such losses and expenses shall be conclusive;
- (b) exercise rights under the Financing Documents and Applicable Law (including under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002);
- (c) take any legal action for the recovery of the outstandings in accordance with the Financing Documents;
- (d) suspend further the Term Loan Facility or cancel the unutilized portion of the Term Loan Facility ;
- (e) enter upon and take possession of the Charged Assets of the Borrower;
- (f) transfer the Charged Assets of the Borrower by way of lease or leave and license or sale;
- (g) instruct any person, who is liable to make payments to the Borrower, to pay directly to the Bank;
- (h) sell, assign, or otherwise liquidate or direct the Borrower to sell, assign, or otherwise liquidate, any or all of the Charged Assets and take possession of the proceeds of any such sale or liquidation;
- (i) to collect by itself or through nominee(s) or agent(s) and retain all cash proceeds, including without limitation whether arising from the operations of the Borrower or not and to use such monies in whole or in part, towards repayment of the Borrower' obligations to the Lender and/or in terms of the Financing Documents;
- (j) to attach and sell, assign or otherwise dispose of the property of the Borrower in such manner, at such time, at such place or places and on such terms as the Lender may in compliance with the requirements of law determine in its absolute discretion;
- (k) to exercise all or any of the remedies of the Borrower in such manner as the Lender may determine in its absolute discretion; and
- (l) stipulate any additional conditions as it may deem fit.

Provided, that nothing contained in this Section 15.21 shall prejudice the right of the Lender to charge any Default Interest in accordance with Section 5.2 (*Default Interest*) during occurrence and continuance of an Event of Default.

15.21 Expenses of Preservation of Assets of Borrower and of Collection :

All expenses incurred by the Secured Parties after an Event of Default has occurred, in connection with: (i) the Event of Default and/or the acceleration of the Loan; (ii) preservation of the Borrower' assets (whether then or thereafter existing), and (iii) collection or recovery of all amounts due under this Agreement, shall be payable by the Borrower. A certificate of the Lender as to the amount of such losses and expenses shall be conclusive.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



15.22 Right to Restructure the Term Loan Facility :

In the event, the Lender finds that it is necessary to restructure the obligations of the Borrower in respect of repayment of principal and/or interest (including substitution of currency in respect of repayment of principal and/or payment of interest) at any time after the occurrence of an Event of Default, the Borrower shall execute all necessary agreements with the Lender and such other Persons as may be required by the Lender, for giving effect to the terms and conditions subject to which the debt restructuring may be considered by the Lender.

15.23 Disclosure :

- (a) As a pre-condition relating to grant of the Loan to the Borrower, the Borrower hereby agrees and consents for the disclosure by the Lender of all or any information and data relating to the Borrower, of the Term Loan Facility availed of to be availed by the Borrower, obligations assumed/ to be assumed by the Borrower in relation thereto and default, if any, committed by the Borrower in discharge thereof as the Lender may deem appropriate and necessary to disclose and furnish to Credit Information Bureau (India) Limited and any other agency so authorized in this behalf by RBI.
- (b) The Borrower hereby further agrees that in case of default in repayment of the loan/ advances or in the payment of interest thereon or any of the agreed instalments of the loan on due dates the Lender and or the RBI will have an unqualified right to disclose or publish name of the Borrower and its Directors as defaulters in such manner and through such medium as the Lender or RBI in their absolute discretion may think fit. The Borrower also agrees that the Lender may at its sole discretion disclose Credit Information relating to the Borrower to any Banks / Financial Institutions in connection with the Term Loan Facility granted to the Borrower.
- (c) The Borrower further declares that the information and data furnished by the Borrower to the Lender is true and correct.
- (d) **The Borrower also understands that:**
- (i) CIBIL and any other Agency so authorized may use and /or process the said information and data disclosed by the Lender in the manner as deemed fit by them; and
- (ii) CIBIL and any other agency so authorized may furnish for consideration the processed information and data or products thereof prepared by them, to banks / financial institutions and other Credit Grantors or Registered Users, as may be specified by the Reserve Bank of India in this behalf.

15.24 Attorney:

The Borrower irrevocably constitutes and appoints the Lender to be the Borrower's true and lawful attorney and to do and execute for and in the name and on behalf of the Borrower upon the occurrence of an Event of Default, all or any of the following acts, deeds and things as mentioned in Schedule 2.

The Borrower hereby ratifies and confirms all the acts things deeds performed or to be performed by the Lender or its nominees or substitutes in pursuance of any of the powers and the powers hereby conferred shall not be determined or affected by the fact of the Borrower acting personally or through another in the premises;

Such Power of Attorney granted unto the Lender shall be irrevocable and subsist in favour of the Lender till the Final Settlement Date.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



16. MISCELLANEOUS :

16.1 Effective Date of Agreement and Incorporation of Sanction Letter :

This Agreement shall become binding on the Borrower and the Lender on and from the date that both Parties execute this Agreement. This Agreement shall be in force till all amounts outstanding under this Agreement are irrevocably repaid and unconditionally discharged in full, to the satisfaction of the Lender.

16.2 Stamp Duties :

The Borrower shall pay or indemnify the Lender against any and all stamp duty, registration and similar taxes or charges, which may be payable in connection with the execution, entry into, performance or enforcement of the Financing Documents. Provided however, the Borrower shall not be required to pay any stamp duty, registration and similar taxes or charges which may be payable in connection with the assignment, transfer or novation of a commitment of any Lender in favour of a New Lender.

16.3 Amendments and Waivers :

Any term of the Financing Documents may be amended or waived in writing by the Parties.

16.4 Waivers and Remedies :

No failure to exercise and no delay in exercising on the part of the Lender any right, power or privilege under the Financing Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. No waiver by the Lender shall be effective unless it is in writing

16.5 Right of Set Off:

In addition to any rights now or hereafter granted under Applicable Law or otherwise, and not by way of limitation of any such rights, upon the occurrence and continuation of a Event of Default, the Lender is hereby authorised at any time or from time to time, without presentment, demand, protest or other notice of any kind to the Borrower or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and apply any and all deposits (general or special) and any investments permitted by the Lender at any time held or owing by the Lender (including, without limitation, by any branches and agencies of the Lender wherever located) to or for the credit or the account of the Borrower against and on account of the obligations and liabilities of the Borrower to the Lender under this Agreement or under any of the other Financing Documents, and all other claims of any nature or description arising out of or connected with this Agreement or any other Financing Document, irrespective of whether or not the Lender shall have made any demand with respect thereto

16.6 Obligations of the Borrower:

The Borrower's liability to the Lender shall not be discharged until and unless the Borrower has paid or discharged the obligations owed to the Secured Parties under the Financing Documents.

16.7 Right of First Refusal:

The Borrower agrees to offer the Lender, on a right to first refusal basis at least pro rata business relating to remittances, bills/cheque purchase, non-fund based transactions including letters of credit and bank guarantees, forex transactions and any interest or currency hedging business contemplated by the Borrower.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



17.8 Notices :

- (a) Any Notice to be given to the Borrower may be made or given by leaving the same at or posting the same by Registered Post in an envelope addressed to the Borrower's Agent and at its Registered office and any Notice to be given to any of the Lender may be given by leaving the same at or posting the same by registered post in an envelope addressed to the Lending Office of the Lender and every such Notice shall be deemed to be received as the case may be, at which it is left or at the time at which it would have been delivered in the ordinary course of post at such registered office of the Borrower's Agent or such Office of the Lender as the case may be.

TO THE BORROWER :

BHARAT BUSINESS CHANNEL LIMITED

Address : Auto Cars Compound. Adalat Road,
Aurangabad - 431005,
State of Maharashtra.

Attention : Mr. Venugopal Nandlal Dhoot

Facsimile : 022 66113500

Telephone : 022 66113600

TO THE LENDER :

BANK OF INDIA

Address: PUNE LARGE CORPORATE BRANCH,
"Sushilp", 1290, Shivajinagar,
Opposite Swan Inn,
Off Jangli Maharaj Road,
Pune - 411 005.

Attention : The Deputy General Manager

Facsimile : 020 - 25530319 / 0314

Telephone: 020 25530316

- (b) A Notice or other Communication received on a non-working day or after business hours in the place of receipt shall be deemed to be served on the next following working day in such place.
- (c) Each Party may change its Address, Telephone Number, and Fax Number for the purpose of Notice under this Agreement by notifying the all other Parties of such change.

17.9 Evidence of Debt:

The Term Loan Account maintained by the Lender, in accordance with its usual practice, and the Entries made therein shall be conclusive evidence of the existence and amount of obligation of the Borrower, in any legal action or proceeding out of or in connection with this Agreement.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



17.10 Governing Law and Jurisdiction :

- (a) The Borrower agrees that the Courts and Tribunals at Mumbai and Pune shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Financing Documents and that accordingly any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Financing Documents may be brought in such Courts or the Tribunals and the Borrower irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such courts or tribunals.
- (b) The Borrower irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the Courts and Tribunals at Mumbai and Pune and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any Proceedings brought in the the Courts and Tribunals at Mumbai and Pune shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by law.
- (c) Nothing contained in this Section 17.10. shall limit any right of the Lender to take Proceedings in any other Court or Tribunal of Competent Jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Borrower irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Borrower irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum
- (d) The Borrower hereby consents generally in respect of any Proceedings arising out of or in connection with any Financing Document to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.
- (e) To the extent that the Borrower may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Borrower hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

17.11 Assignment and Novation :

The Borrower shall not assign, novate or transfer any of its rights or obligations under this Agreement. The Lender may without the consent of the Borrower at any time, transfer, assign or novate all or any part of its rights and benefits under this Agreement to any Banking Companies or Non Banking Financial Companies.

17.12 No Waiver; Remedies Cumulative :

The rights, powers and remedies herein or in any other Financing Document or expressly provided are cumulative and not exclusive of any rights, powers or remedies which any of the Lender or Secured Parties would otherwise have. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Lender to any other or further action in any circumstances without notice or demand.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



17.13 Benefit:

Subject to Section 17.11 hereof, this Agreement shall be binding upon and enure to the benefit of each Party hereto and its successors and assigns.

17.14 Calculations and Computations :

- (a) In any legal action or proceedings arising out of or in connection with the Financing Documents, the entries made in the accounts maintained by the Lender shall, in the absence of any manifest error, be conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded.
- (b) Any certification or determination by the Lender of a rate or amount under the Financing Documents, in the absence of any manifest error, is conclusive evidence of the matters to which it relates.
- (c) All calculations and computations determining compliance with this Agreement shall utilise accounting principles, policies and practices in conformity with those used to prepare the financial statements, delivered to the Lender pursuant to this Agreement.

17.15 Severability :

If any provision of this Agreement is held to be illegal, invalid, or unenforceable under the Applicable Law, and if the rights or obligations under this Agreement of the Parties will not be materially and adversely affected thereby: (a) such provision will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and (c) the remaining provisions of the Agreement will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

17.16 Survival of Terms :

Termination or expiration of the Agreement for any reason shall not relieve the Borrower from any liabilities or obligations set forth in this Agreement which: (i) the Borrower has expressly agreed shall survive such termination or expiration; or (ii) remain to be performed or by their nature would be intended to be applicable following any such termination or expiration.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



THE FIRST SCHEDULE ABOVE REFERRED TO.
[DETAILS OF THE TERM LOAN - II FACILITY TOGETHER WITH MARGIN,
INTEREST AND REPAYMENT SCHEDULE]

[Rs. in Crores]

NATURE OF FACILITY	LIMIT	MARGIN	RATE OF INTEREST
Term Loan Facility	150.00	Nil	2.75% over Base Rate, presently 13.00% p.a. with monthly rests with annual reset. Interest to be serviced as and when applied.
TOTAL	150.00		

REPAYMENT SCHEDULE OF TERM LOAN - II LIMIT

Repayable in 24 Quarterly Ballooning Instalments. First Instalment to start after Moratorium Period of 2 Years and 3 Months from the date of First Disbursement. Door to Door Tenure of 8 Years and 3 Months. Interest to be serviced as and when applied.

FROM DATE OF FIRST DISBURSEMENT	AMOUNT PER INSTALMENT (Rs. in Crores)
End of 30 Months	1.8750
End of 33 Months	1.8750
End of 36 Months	1.8750
End of 39 Months	1.8750
End of 42 Months	2.8125
End of 45 Months	2.8125
End of 48 Months	2.8125
End of 51 Months	2.8125
End of 54 Months	5.6250
End of 57 Months	5.6250
End of 60 Months	5.6250
End of 63 Months	5.6250
End of 66 Months	7.5000
End of 69 Months	7.5000
End of 72 Months	7.5000
End of 78 Months	9.3750
End of 81 Months	9.3750
End of 84 Months	9.3750
End of 87 Months	9.3750
End of 90 Months	10.3125
End of 93 Months	10.3125
End of 96 Months	10.3125
End of 99 Months	10.3125
TOTAL	150.0000

[All other terms and conditions as contained in Letter of Sanction Ref. No. PLCB/SR dated 16.03.2013 of the Pune Large Corporate Branch of Bank of India.]

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



THE SECOND SCHEDULE ABOVE REFERRED TO

- (a) To take and carry on the business of the Borrower and complete any engagements and contracts.
- (b) To sign register, file any application forms, contracts, agreements, transfers, acceptance, receipts, acquaintances, returns and any other documents and to sign and endorse all cheques, promissory notes, bills of exchanges, bills of lading, dividend mandates or other orders for payment of money or delivery of property.
- (c) To sell, transfer, assign or deal with any goods and other moveables.
- (d) To demand and receive all debts, sums of money, principal money, dividends interest and dues of whatever nature.
- (e) To appoint selling agents and if necessary to undertake new kind of activity.
- (f) To realize all assets (movable or immovable) including the goodwill of the business.
- (g) To tender contract for purchase, accept and sign the transfer into the name of the Borrower of any securities, shares, stocks, debentures, funds or any other securities, to apply for and accept allotment of any shares, and securities and to sell, endorse, negotiate, transfer and assign any securities which do now or shall hereafter stand in the name of the Borrower to which the Borrower is now or may at any time hereafter be entitled to demand, receive and collect interest and dividend due or to accrue due on any such securities, shares, stocks, debentures, funds and other securities and apply the proceeds of such sale, endorsement, transfer, negotiation and assignment and the recovery of any interest and dividend in satisfaction of any monies due by the Borrower to the Lender and to endorse and transfer all or any such securities, shares, stocks, debentures, funds and other securities which may from time to time or at any time be in the possession of the Lender whether for safe custody or otherwise or held by the Lender as security for any money payable to the Lender by the Borrower in respect of any account or general balance of account or otherwise.
- (h) To appoint a proxy or proxies for the purpose of representing the Borrower and voting in meeting or meetings of any company or Corporation in which the Borrower holds any shares, debentures, stocks, etc
- (i) To deal with the assessment of the Borrower in respect of Income Tax, Super Tax, Wealth Tax, Gift Tax, Expenditure Tax, Capital Gains Tax and any other Taxes on income revenue or capital and levy of customs and/or excise duties and to apply for and to receive refunds of any such tax or taxes or levy or levies.
- (j) To attend and represent the Borrower before any authority or tribunal and for that purpose to sign, execute and deliver all such documents and make all such declarations as may be necessary.
- (k) Generally to act in the premises as fully and effectually with all intents and purposes to do all things as are necessary and which the Borrower would do if personally present.
- (l) For all and any of the purposes, aforesaid to appoint a substitute or substitutes.

For Bharat Business Channel Limited

/s/ Siddharth Somani
Director / Authorised Signatory



THE THIRD SCHEDULE ABOVE REFERRED TO
DETAILS OF SANCTION LETTER.

Sanction Letter bearing Ref. No. PLCB/SR dated 16.03.2012 addressed to Bharat Business Channel Limited by Bank of India, Pune Large Corporate Branch.

IN WITNESS WHEREOF, THE PARTIES HERETO, HAVE CAUSED THIS AGREEMENT TO BE EXECUTED AS OF THE DATE FIRST ABOVE WRITTEN.

THE COMMON SEAL OF THE BORROWER within named **BHARAT BUSINESS CHANNEL LIMITED** is hereunto affixed pursuant to the Authority granted by the Resolution of the Board of Directors passed on the 18th day of MARCH 2013 in the presence of **Mr. SIDDHARTH SOMANI and Mr. _____**, Director / Authorised Signatory of the Borrower duly authorized by the Board in that behalf who has also signed these presents in token thereof.

For Bharat Business Channel Limited
/s/ Siddharth Somani
Director / Authorised Signatory

/s/ Siddharth Somani

SIGNED AND DELIVERED BY BANK OF INDIA, THE LENDER within named, by the hand of its Authorised Official. Mr. G.H.SARANGI

कृते बैंक ऑफ इंडिया
For BANK OF INDIA
उप. महा. प्रबंधक / Deputy Gen. Manager
पुणे लाज कॉर्पोरेट शाखा
Pune Large Corporate Br.

[\(Back To Top\)](#)

Section 19: EX-10.13 (EXHIBIT 10.13)

Exhibit 10.13

LOAN AGREEMENT
BETWEEN
BHARAT BUSINESS CHANNEL LIMITED
AS BORROWER
AND
UNION BANK OF INDIA
AS LENDER



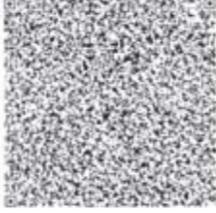
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL94939777472377L
Certificate Issued Date : 25-Mar-2013 12:28 PM
Account Reference : IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600389433525237394L
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Property Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : NA
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



.....Please write or type below this line.....

ANNEXED AND FORMING INTEGRAL PART OF LOAN AGREEMENT
EXECUTED AT NEW DELHI ON 5th DAY OF APRIL 2013 BY BHARAT
BUSINESS CHANNEL LTD IN FAVOUR OF UNION BANK OF INDIA.

For Bharat Business Channel Limited

Director / Authorised Signatory

Statutory Alert:

- 1 The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
- 2 The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilestamp.com"



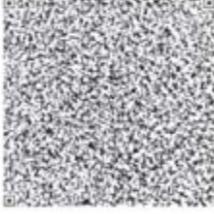
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL94939235240091L
Certificate Issued Date	: 25-Mar-2013 12:28 PM
Account Reference	: IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL73600389434158583933L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article 5 General Agreement
Property Description	: NA
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: NA
Stamp Duty Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 100 (One Hundred only)



.....Please write or type below this line.....

**ANNEXED AND FORMING INTEGRAL PART OF LOAN AGREEMENT
EXECUTED AT NEW DELHI ON 5th DAY OF APRIL 2013 BY BHARAT
BUSINESS CHANNEL LTD IN FAVOUR OF UNION BANK OF INDIA.**

For Bharat Business Channel Limited

Director / Authorised Signatory

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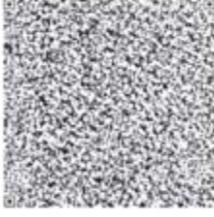
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL94938620483934L
Certificate Issued Date	: 25-Mar-2013 12:27 PM
Account Reference	: IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL73600389434585190082L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article 5 General Agreement
Property Description	: NA
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: NA
Stamp Duty Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 100 (One Hundred only)



.....Please write or type below this line.....

 ANNEXED AND FORMING INTEGRAL PART OF LOAN AGREEMENT
EXECUTED AT NEW DELHI ON 5th DAY OF APRIL 2013 BY BHARAT
BUSINESS CHANNEL LTD IN FAVOUR OF UNION BANK OF INDIA.

For Bharat Business Channel Limited


Director / Authorised Signatory

Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilstamp.com".

LOAN AGREEMENT

THIS AGREEMENT made at New Delhi this 5th day of April 2013.

BETWEEN

BHARAT BUSINESS CHANNEL LIMITED, a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its Company Identification No. U92100MH2002PLC137947 and Registered Office at Auto Card Compound, Adalat Road, Aurangabad - 431 005 (hereinafter referred to as the "**Borrower**" which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors and permitted assigns) of the **FIRST PART**;

For Bharat Business Channel Limited

Director / Authorised Signatory

AND

UNION BANK OF INDIA, a body corporate, constituted by and under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 having its Head Office at 239, Vidhan Bhavan Marg, Nariman Point, Mumbai, 400021 and a Branch Office amongst other places by the name Industrial Finance Branch at First Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400 021 (hereinafter referred to as the “**Lender**” which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors, assigns, transferees and novatees) of the **SECOND PART**.

WHEREAS:

- A. The Borrower intends to part finance the Purpose as per the Financing Plan which includes availing of the Total Loan from the lenders;
- B. The Borrower has requested the Lender to provide the Loan to enable the Borrower to part finance the Purpose; and
- C. The Lender has at such request of the Borrower has agreed to grant the Loan to the Borrower on the terms and conditions set out in this Agreement.

NOW IT IS HEREBY AGREED AS FOLLOWS:

ARTICLE I

THE LOAN

1.1 Definitions and Interpretation

For the purpose of this Agreement, (i) capitalised terms, not otherwise defined in this Agreement, shall have the meanings set forth in Article 7.1 of this Agreement, and (ii) the principles of interpretations of this Agreement shall be as set forth in Article 7.2 of this Agreement.

1.2 Amount and terms of the Loan

- (a) The Borrower agrees to borrow from the Lender and the Lender agrees to lend and advance to the Borrower a rupee term loan of ₹150,00,00,000/- (Rupees one hundred fifty crore only) for the Purpose on the terms and conditions contained herein forming part of the Total Loan (hereinafter referred to as the “**Loan**”).
- (b) The Borrower agrees that the proceeds of the Loan shall be utilized for the Purpose as per the Financing Plan.

For Bharat Business Channel Limited

Director / Authorised Signatory

1.3 Interest

- (i) The Borrower shall pay to the Lender interest for the Interest Period at the Applicable Interest Rate on the principal amount of the Loan and all other monies outstanding from time to time. Such interest shall be paid monthly in arrears on the Interest Payment Date.
- (ii) The Lender reserves the right to reset the interest rate (including margin/ Spread) at the end of 12 (twelve) months from the date of 1st (first) disbursement under this Agreement and every year thereafter. The Borrower agrees to pay the interest at the reset rate as may be notified by the Lender from time to time.
- (iii) The Borrower agrees and acknowledges that the IDBI Base Rate shall be floating till the Final Settlement Date.
- (iv) All interest on the Loan, Additional Interests, Liquidated Damages and all other monies accruing under this Agreement and other Financing Documents shall, in case the same are not paid on the respective due dates, carry interest/further interest at the Applicable Interest Rate (hereinafter referred to as the “**Further Interest**”) computed from the respective due date until such payment and shall become payable upon the footing of compound interest with monthly rests on demand and in the absence of any such demand on the next Interest Payment Date falling after the date of default.
- (v)(a) In the event the Security as provided in Article II of this Agreement is not created and perfected within the time lines as provided under Article II of this Agreement, the Borrower shall pay to the Lender an additional interest at the rate of 1% (one percent) per annum in addition to the Applicable Interest Rate on the disbursements made pending the creation of security within the time line as stated above for the period from the date of 1st (first) disbursement till the security is created and perfected as per Article II of this Agreement (hereinafter referred to as the “**Additional Interest for Non – Creation of Security**”).
- (b) The Borrower recognizes that the payment of Additional Interest for Non – Creation of Security as above does not absolve the Borrower from creating the Security promptly and notwithstanding the payment of any Additional Interest for Non – Creation of Security to the Lender, non-creation of Security within the stipulated time, shall entitle the Lender to call an Event of Default. Any delay in calling such Event of Default or acceptance of payments of Additional Interest for Non – Creation of Security shall not be construed as a waiver of, or an estoppel against, the right of the Lender to call an Event of Default at their sole discretion at such time as they deem fit.
- (vi) If Borrower defaults in payment of any installment of principal amount of the Loan, interest thereon or any other monies (except Liquidated Damages) on the respective due dates, the Borrower shall pay on such defaulted amounts, liquidated damages at the rate of 2 % (two percent) per annum for the period of default (hereinafter referred to as the “**Liquidated Damages**”), which shall be payable on demand or in the absence of any such demand on the next Interest Payment Date falling after the date of default.

For Bharat Business Channel Limited


Director / Authorised Signatory

- (vii) In the event of adverse deviation by more than 10% (ten percent) in the Financial Covenants from the levels stipulated in the definition of Financial Covenants for a minimum period of 1 (one) year, the Borrower shall pay to the Lender a deviation interest at the rate of 1% (one percent) per annum on the Loan outstanding (hereinafter referred to as the “**Additional Interest for Non-Adherence of Financial Covenant**”). Such interest shall be payable for the entire Financial Year(s) during which the Financial Covenants are not adhered to; which shall be payable on demand or in the absence of any such demand on the next Interest Payment Date falling after the date of default.

The determination of any such deviation in the Financial Covenants for the aforesaid purposes shall be done once in a Financial Year on the basis of annual audited financial statements of the Borrower with the first such determination being done for the financial year 2015 and thereafter for every financial year till the Final Settlement Date.

- (viii) Interest, Further Interest, Additional Interests, Liquidated Damages and all other charges shall accrue from day to day and shall be computed on the basis of 365 days’ a year and the actual number of days elapsed.
- (ix) The Borrower agrees and acknowledges that the Further Interest, Additional Interests and the Liquidated Damages stated above are a genuine pre-estimate of loss that will be incurred or suffered by the Lender if the event(s) specified respectively therein occur(s).

1.4 Debt Service Reserve

- (i) The Borrower shall on or before January 1, 2015, create and thereafter maintain, at all times till the Final Settlement Date, the DSR in the DSRA out of cash flows of the Borrower available after meeting its debt service obligations hereunder.
- (ii) In lieu of the cash DSR as stipulated in Article 1.4(i) above, the Borrower shall procure and furnish to the Lender, an unconditional and irrevocable bank guarantee/ letter of credit from a bank acceptable to the Lender, in a form, manner and on terms and conditions acceptable to the Lender. Such bank guarantee/ letter of credit shall, amongst other terms, entitle the Lender to make a demand at any time, if there is any shortfall in the payment of principal amount of the Loan or the interest by the Borrower. The bank guarantee/ letter of credit as above shall not have any recourse to the assets of the Borrower or the Lender and shall be suitably renewed/ enhanced till the Final Settlement Date.
- (iii) The amounts accumulated in the DSRA shall not be used for any purpose other than for meeting shortfall in the payment of principal amount of the Loan or the interest by the Borrower from time to time. The Borrower shall invest the funds in the DSRA only in Permitted Investments.

1.5 Last Date Of Drawal

- (i) Unless the Lender otherwise agrees, the right of the Borrower to request for disbursement of the Loan shall cease at the end of the period of 2 (two) years from the date of 1st (first) disbursement of the Loan under this Agreement (hereinafter referred to as the “**Availability Period**”) and any undrawn portion of the Loan shall automatically stand cancelled at the expiry of the said period of 2 (two) years from the date of 1st (first) disbursement of the Loan.

For Bharat Business Channel Limited

Director / Authorised Signatory

(ii) All disbursements under this Agreement shall be made pursuant to the quarterly drawdown schedule submitted by the Borrower to the Lender on or prior to the date of this Agreement indicating the date and the amount of disbursement sought by the Borrower on the respective dates under the Availability Period (hereinafter referred to as the “**Drawdown Schedule**”). However, the Drawdown Schedule may be amended or replaced by the Borrower with 30 (thirty) days prior written notice to the Lender before the commencement of the each quarter with the prior written approval of the Lender. Such modified or amended drawdown schedule shall be treated as the Drawdown Schedule.

(iii) Commitment Fee

The Borrower shall pay to the Lender a non-refundable commitment fee at the applicable rate on the amounts not drawn or drawn in variance with the Drawdown Schedule, quarterly in arrears on the last day of each quarter. Such charges shall be calculated on the basis of the drawdown not sought and the number of days deviated from the dates indicated in the Drawdown Schedule.

1.6 Repayment

(i) The Borrower undertakes to repay the principal amount of the Loan in accordance with the Amortization Schedule as set forth in Schedule or as advised and pay the interest, Additional Interests, Further Interest, Liquidated Damages, fees and other charges as stipulated in this Agreement.

(ii) The Lender may, wherever warranted, revise, accelerate, vary or postpone the repayment of the principal amounts of the Loan or the balance outstanding for the time being or any installments(s) of the said principal amounts of the Loan or any part thereof by giving prior notice to the Borrower on such terms and conditions as may be decided by it and the Borrower shall be deemed to have consented to the same.

(iii) In the event of any default in the payment of installments of principal, any interest, Additional Interests, Further Interest and Liquidated Damages, postponement, if any, allowed by the Lender shall be at the rate of interest as may be stipulated by the Lender at the time of postponement and the Borrower shall be deemed to have consented to the same.

(iv) If, for any reason, the amount finally disbursed by the Lender out of the Loan is less than the amount of the Loan, the number of installments of repayment of the Loan shall stand reduced accordingly and be payable as per the revised Amortisation Schedule advised by the Lender and the Borrower shall be deemed to have consented to the same.

1.7 Appropriation of payments

Unless otherwise agreed to by the Lender, any payments due and payable under this Agreement and made by the Borrower shall be appropriated towards such dues in the following order, viz.:

For Bharat Business Channel Limited

Director / Authorised Signatory

- i) Interest on costs, charges, expenses and other monies;
- ii) Costs, charges, expenses and other monies;
- iii) Further interest and Liquidated Damages on defaulted amounts;
- iv) Interest including Additional Interests, payable in terms of this Agreement;
- v) Premium on prepayment
- vi) Repayment of principal/ installments of principal due and payable under this Agreement.

1.8 Place and mode of payment by the Borrower

All the monies payable by the Borrower to the Lender shall be made directly to the Lender to any of its branches /offices as may be specified by them by Real Time Gross Settlement or such other electronic mode acceptable to the Lender to the account of such office (s). Credit for payment will be given on realization of the amount by the Lender or the relative due date, whichever is later.

1.9 Premature repayment

- (i) Any prepayment of the Loan shall be subject to payment of prepayment premium at the rate of 2 % (two percent) per annum of the pre-paid principal amount.

Provided that no prepayment premium shall be payable by the Borrower, if the prepayment is at instance of the Lender or if the Borrower opts to prepay the entire outstanding of the Loan and other monies within 90 (ninety) days from the date of advise of the increase in the Spread on interest rest dates and after serving due notice upon the Lender.

- (ii) Any notice of prepayment under this Agreement shall be given to the Lender or to and shall be irrevocable.
- (iii) No amount prepaid under this Agreement may subsequently be re-borrowed under the Loan.
- (iv) All prepayments under this Agreement shall be made together with accrued interest on the amount prepaid and any other amounts payable under this Agreement.

1.10 Due date of payment

If the due date in respect of any installment of principal, interest, Additional Interests, Further Interest and Liquidated Damages and all other monies payable under this Agreement falls on a day which is a bank holiday at the place where the payment is to be made, the immediately preceding working day shall be the due date for such payment.

1.11 Interest Tax, etc.

The Borrower agrees and acknowledges that, all rates of interest including the Applicable Interest Rate, Further Interest, Additional Interests and Liquidated Damages are exclusive of interest tax, service tax and/ or any other levies/ duties, which shall be payable by the Borrower to the Lender in addition to such rates of interest.

For Bharat Business Channel Limited

Director / Authorised Signatory

1.12 Pre-Commitment Conditions

In order to induce the Lender to sign this Agreement and to make available the Loan, the Borrower represents and warrants to the Lender that prior to or at the time of the signing of this Agreement the following has been satisfied:

(i) Corporate Actions

(a) The Borrower has furnished to the Lender

- (A) up to date certified true copies of its and the Promoters' constitutional documents (memorandum of association and articles of association) including certificate of incorporation;
- (B) evidence of the corporate power, authority/ resolutions and required corporate action to enter into, and signature authority of the Person(s) executing the Financing Documents on its behalf;
- (C) certified true copy of its shareholders' resolution under Section 293(1)(a) and Section 293(1)(d) of the Companies Act, 1956 authorizing creation of security and availing of the Loan;
- (D) a certificate of the Auditor confirming that (i) the availing of the Loan will not cause any borrowing limit binding on the Borrower to be exceeded; (ii) providing the authorized, issued and paid up capital of the Borrower;
- (E) a certificate of the Authorised Officer of (i) the Borrower certifying that the Borrower and its directors have the necessary powers under the constitutional documents (memorandum of association and articles of association) to borrow and enter into the various Financing Documents, that the borrowing under this Agreement will not cause any borrowing limit binding on the Borrower to be exceeded; and
- (G) know your customer documents to the satisfaction of Lender.

(b) The Borrower shall have agreed to carry out such alterations to its memorandum of association and articles of association for suitably increasing its authorised equity capital, borrowing power as per the envisaged Financing Plan, if required and incorporate any other changes, if required, by the Lender.

(ii) Appointment of LLC

LLC shall have been appointed on behalf of the Lender to undertake such scope of work as may be decided by the Lender. The Borrower shall have agreed to pay or arrange to make payments of all fees, expenses and other charges payable to LLC.

(iv) Up-front Fee

The Borrower shall pay to the Lender non-refundable upfront fee of 0.10 % (zero point ten percent) (together with applicable taxes and cess, if any) on the Loan amount on or before the date this Agreement. The Borrower shall also pay the legal fee plus other charges as advised by the Lender.

1.13 Terms of disbursement

The obligation of the Lender to make disbursements under this Agreement shall be subject to the Borrower performing all its obligations and undertakings under this Agreement besides compliance by the Borrower with the disbursement procedure stipulated by the Lender, including submission of necessary information, documents, margin/matching contribution, tenure of Loan etc. to the satisfaction of the Lender and compliance of the condition stipulated in Article 1.14 of this Agreement.

For Bharat Business Channel Limited

Director / Authorised Signatory

1.14 Disbursement Conditions

1.14.1 Conditions Precedent to 1st (first) Disbursement

The obligation of the Lender to make the 1st (first) disbursement under this Agreement shall be subject to the satisfaction or waiver or extension by the Lender of the following conditions in addition to the Borrower complying with the conditions specified in Article 1.14.2 of this Agreement and disbursement procedure as stipulated by the Lender.

a) Execution of Financing Documents

All the Financing Documents (other than documents which are to be executed at a later date in terms of this Agreement) in a form acceptable to the Lender shall have been duly executed by the Borrower and/ or the Promoters, as the case may be, and the same shall be in full force and effect.

b) Promoters' Undertaking

The Borrower shall have procured and furnished an undertaking duly and validly executed by the Promoters in a form and substance satisfactory to the Lender, agreeing and undertaking that the Promoters shall jointly and severally -

- (i) provide funds to the Borrower without any recourse to the Lender and/ or the assets of the Borrower, to meet any cost overrun in the envisaged Business Plan/ Financing Plan; and
- (ii) provide funds to the Borrower for funding the losses that may be incurred by the Borrower after the financial year ending 2014 onwards.

c) Approvals

The Borrower shall have applied for and received all approvals that are, in the opinion of the Lender, required to be obtained prior to the date of 1st (first) disbursement.

d) Wilful Defaulter

The Borrower shall, have removed its director(s), whose name(s) appear in willful defaulters list maintained by RBI or CIBIL and/ or any other authority from its Board and/ or get their names deleted from the list maintained by the aforesaid authorities.

e) Guarantees

The Borrower shall have procured from the guarantors, the guarantees in favour and for the benefit of the Lender as provided under Article 2.1 (v) of this Agreement.

For Bharat Business Channel Limited

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1.14.2 Conditions Precedent to Subsequent Disbursements

The obligation of the Lender to make the 1st (first) disbursement and each of the subsequent disbursement shall, in addition to the compliance by the Borrower or waiver/ relaxation by the Lender of the conditions stipulated in Article 1.14.1 above and the disbursement procedure stipulated by the Lender, be also subject to the following conditions, namely -

b) Events of Default

The Borrower shall have delivered to the Lender a certificate issued by its Authorised Officer confirming that no Event of Default has occurred and is continuing under the Financing Documents and no Event of Default under the Financing Documents shall occur as a result of requested disbursement.

c) Material Adverse Effect

The Borrower shall have delivered to the Lender a certificate from its Authorised Officer certifying that no event has occurred which has or would be expected to have a Material Adverse Effect.

d) Representations and Warranties

The Borrower shall have delivered to the Lender a certificate issued by its Authorised Officer confirming that the representations, warranties and covenants made or deemed to be made pursuant to Article III of this Agreement or under other Financing Documents are true and correct in all material respects both before and after the disbursement is made.

e) Litigation

The Borrower shall have delivered to the Lender a certificate from its Authorised Officer certifying that no litigation is pending in India or in any other jurisdiction against the Borrower or its assets or regarding the effectiveness or validity of any of the Financing Documents or the Security except as disclosed in writing by the Borrower to the Lender on the date of signing of this Agreement which if determined adversely shall have a Material Adverse Effect.

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f) Certificate of Independent Chartered Accountant

The Borrower shall have furnished to the Lender a certificate from its statutory auditor or independent chartered accountant acceptable to the Lender certifying the expenditure incurred on the Purpose and the means of finance thereof, before each disbursement.

g) Fees

The Borrower shall have paid all fees, expenses and other charges then payable by it under the terms of the Financing Documents.

1.14.2 Conditions to be complied within specific time lines

a) No Objection Certificates

The Borrower shall have procured no objection certificates from its Existing Secured Lenders for creation of the security interest on the Borrower's assets for securing the Loan within a period of 3 (three) months from the date of 1st (first) disbursement.

b) Security

- i) The Borrower shall have created and perfected the security as provided under Article 2.1(i) and (ii) of this Agreement and submitted requisite documents of title in this regard to the Lender within a period of 3 (three) months from the date of 1st (first) disbursement.
- ii) The Borrower shall have created and perfected the security as provided under Article 2.1(iii) of this Agreement within a period of 6 (six) months from the date of 1st (first) disbursement.
- iii) The Borrower shall have created and perfected the security as provided under Article 2.1(iv) of this Agreement on or prior to January 1, 2015.
- iv) The Borrower shall have ensured that the Lender shall have received an opinion of the LLC as to creation and enforceability of the security as stated Article 1.12.3 (b) to (c) above.

c) Credit Rating

The Borrower shall get all its borrowings rated by any one or more accredited rating agencies within a period of 6 (six) months from the date of 1st (first) disbursement in compliance with the Basel II norms.

For Bharat Business Channel Limited


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ARTICLE II

SECURITY

2.1 Security for the Loan

The Loan together with all interests, Liquidated Damages, Additional Interests, Further Interest, fees, costs, charges, expenses and all other amounts whatsoever stipulated in, or payable by, the Borrower in terms of the Financing Documents shall, to the satisfaction of the Lender, be secured by: -

- (i) a first mortgage and charge in a form and manner satisfactory to the Lender of all the Borrower's immovable properties, both present and future.
- (ii) a first charge by way of hypothecation of the Borrower's entire movable assets, including movable machinery, machinery spares, tools and accessories, both present and future;
- (iii) an assignment by way of security of all the Borrower's right, title, interests, benefits, claims and demands in, to and under the DTH Licence; and
- (iv) a first charge on Escrow Account and Debt Service Reserve Account.
- (v) an irrevocable, unconditional, joint and several guarantee from -
 - (a) Shri Venugopal Dhoot;
 - (b) Shri Pradeep Kumar N. Dhoot
 - (c) Solitaire Appliances Private Limited;
 - (d) Platinum Appliances Private Limited and
 - (e) Greenfield Appliances Private Limited.No guarantee commission shall be payable by the Borrower to the guarantors.

Provided the mortgages, charges and assignment referred to in Article 2.1(i) to (iii) above to be created for the benefit of the Lender shall in all respects rank pari passu with the mortgages, charges and assignment on the assets referred to in Article 2.1(i) to (iii) above created and/or to be created by the Borrower for securing the financial assistance granted by the Existing Secured Lenders (details of the Existing Secured Lenders are set out in **Schedule II** of this Agreement), without any preference or priority to one over the other.

Provided further the mortgages, charges, assignment and guarantees referred to in Article 2.1(i) to (v) above created/ to be created for the benefit of the Lender shall in all respects rank pari passu with the mortgages, charges, assignments and guarantees created and/or to be created by the Borrower and procured/ to be procured by the Borrower for the benefit of the other lenders providing the Total Loan to the Borrower, without any preference or priority to one over the other.

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Provided that the –

- (i) guarantees stated at Article 2.1(v) above shall be procured for the benefit of the Lender prior to the date of 1st (first) disbursement of the Loan under this Agreement;
- (ii) mortgages and charges on the assets stated at Article 2.1(i) and (ii) above shall be created and perfected within a period of 3 (three) months from the date of 1st (first) disbursement;
- (iii) mortgages and charges on the assets stated at Article 2.1(iii) above shall be created and perfected within a period of 6 (six) months from the date of 1st (first) disbursement; and
- (iv) mortgages and charges on the assets stated at Article 2.1(iv) above shall be created and perfected on or prior to January 1, 2015.

(hereinafter collectively referred to as the “**Security**”)

- 2.2** The Borrower shall make out a good and marketable title to its properties to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose including obtaining consents from the existing charge holders.
- 2.3** So long as any monies remain due and outstanding to the Lender, the Borrower undertakes to notify the Lender in writing of all its acquisitions of immovable properties.
- 2.4** If, at any time during the subsistence of this Agreement, the Lender is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the Loan then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall provide and furnish to the Lender, to its satisfaction such additional security as may be acceptable to the Lender to cover such deficiency.
- 2.5** The Borrower shall not, without prior consent of the Lender, till the Final Settlement Date, create in favour of any other person any charge(s) on the assets, which are charged/agreed to be charged for the benefit of the Lender pursuant to Section 2.1 hereof.
- 2.6** The Borrower shall have furnished, prior to creation of security as stated in Article 2.1(i) to (iv), a certificate under Section 281(1) of the Income-tax Act, 1961 in respect of the creation of security, as applicable.

For Bharat Business Channel Limited


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ARTICLE III

BORROWER'S WARRANTIES AND COVENANTS

3.1 Except to the extent already disclosed in writing by the Borrower to the Lender, the Borrower shall be deemed to have assured, confirmed and undertaken as follows:

(a) Conflict with Constitutional documents

Nothing in this Agreement conflicts with any provisions of the Borrower's constitutional documents

(b) No director who is on the board of a company declared as a willful defaulter

No director is on its Board who is also a director on the board of a willful defaulter

(c) Right to disclose the names and particulars of the Borrower and the credit facilities availed of / to be availed, by the Borrower.

- (i) The Lender shall have the right to disclose the information relating to the Borrower to Credit Information Bureau (India) Limited (CIBIL) or any other similar agency, which in turn shall have the right to use the information as authorized in this behalf by RBI.
- (ii) The Lender shall have the right to disclose the information and data relating to the Borrower to other agencies in the business of credit.
- (iii) The Borrower hereby declares that the information and data furnished by the Borrower to the Lender are true and correct.

(d) Valid and Subsisting Licenses

- (i) The Borrower duly owns or holds valid and subsisting licenses in respect of all trade names, trade marks, patents, designs and other intellectual property used or intended to be used by the Borrower in the course of its business and the same are duly registered in the name of the Borrower and have not become voidable.
- (ii) The Borrower duly owns or holds all other material consents, licenses, franchises, permits and authorisations necessary for the lawful conduct, ownership and operation, of its business including DTH License, and the same are valid and subsisting and have not become voidable.

(e) No Claims and liabilities other than those disclosed

The Borrower does not have any claims or liabilities including, without limitations, provident fund or labour dues, income /corporate or other taxes, duties, levies or cesses, royalties, license fees, lease rentals, interest costs, penal levies, default rates, damages, claims, penalties etc.(whether present, future or contingent) which are not expressly disclosed either:

- (i) in the Borrower's last audited balance sheet furnished to the Lender; or
- (ii) otherwise to the Lender in writing as "off-balance sheet liabilities"; or
- (iii) in any other written communication to the Lender.

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(f) Non-existence of event of default

The Borrower shall satisfy the Lender that no Event of Default and no event which, with the lapse of time or giving of notice and lapse of time as specified in Article V, would become an Event of Default, has happened and been continuing.

(g) Project/Purpose

The Borrower shall,

(i) Project/ Purpose changes

Promptly notify the Lender of any proposed change in the nature or scope of the project/ Purpose and of any event or condition, which might materially and adversely affect or delay completion of the project/ Purpose or result in substantial overrun in the original estimate of costs. Any proposed change in the nature or scope of the project/ Purpose shall not be implemented or funds committed therefore without the prior approval of the Lender;

(ii) Contract change

Obtain concurrence of the Lender to any material modification or cancellation of the Borrower's agreements with its machinery suppliers, collaborators, technical consultants and suppliers of raw materials;

(iii) Delay in completing the project/ Purpose

Promptly inform the Lender of the circumstances and conditions, which are likely to disable the Borrower from implementing the project/ Purpose, or which are likely to delay its completion or compel the Borrower to abandon the same.

(h) Utilisation of the Loan

The Borrower shall furnish to the Lender:

- (a) Information and statements relating to its business, utilisation of the Loan, its assets and other information relating to the group/ subsidiaries as may be required from time to time, including duly audited annual account.
- (b) The Loan shall not be utilised for any purpose other than for which it is sanctioned and, in particular (including but not limited to), it shall not be utilised for any of the following purposes:
 - i) subscription to or purchase of shares/debentures and investment in real estate;
 - ii) repayment of dues of Promoters/associate concerns/intercorporate deposits, etc;
 - iii) for extending loans/facilities to subsidiary or associate companies or for making any inter-corporate deposits, and
 - iv) for any other speculative purposes.

3.2 General covenants

A) Unless otherwise agreed to by the Lender, the Borrower shall,

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(i) Notice of winding up or other legal process

Promptly inform the Lender regarding any litigation against the Borrower, any of its properties or business or undertaking or if a Receiver is appointed of any of its properties or business or undertaking;

(ii) Adverse changes in profits and production

Promptly inform the Lender of the happening of any labour strikes, lockouts, shutdowns, fires or any event likely to have a substantial effect on the Borrower's profits or business and of any material changes in the rate of production or sales of the Borrower with an explanation of the reasons therefor;

(iii) Insurance

- (a) keep all its assets adequately insured at all time and such of its other properties as are of an insurable nature against fire, theft, lightning, explosion, earthquake, riot, strike, civil commotion, storm, tempest, flood, marine risks, erection risks, war risks, and such other risks as may be specified by the Lender and shall duly pay all premia and other sums payable for that purpose. The insurance in respect of the properties charged/to be charged to the Lender shall be taken in the joint names of the Borrower and the Lender and any other person or institution having an insurable interest in the properties of the Borrower and acceptable to the Lender. The Borrower shall keep deposited with the Lender the copies of insurance policies and renewals thereof;
- (b) agree that, in the event of failure on the part of the Borrower to insure the assets or to pay the insurance premia or other sums referred to above, the Lender may get the assets insured or pay the insurance premia and other sums referred to above, as the case may be,
- (c) agree that the Lender shall have sole discretion to appropriate the proceeds, if any received from the insurance company in satisfaction of the Loan,
- (d) agree that it shall furnish certificate from an auditor, acceptable to the Lender, certifying the adequacy of insurance taken by,
- (e) agree that it shall inform the Lender of the happening of any of the events specified in sub clause (a) above and the loss or damage which the Borrower may suffer due to any of the aforesaid events for which the assets are insured.

(iv) Imposts, costs, charges and expenses

Until the Final Settlement Date bear all such impost, duties and taxes (including interest and other taxes, if any) as may be levied from time to time by the Government or other authority with the sanction of law pertaining to or in respect of the Loan,

- (a) pay all other costs, charges and expenses in any way incurred by the Lender (including costs of investigation of title and protection of Lender's interest) and such additional stamp duty, other duties, taxes, charges and other penalties if and when the Borrower is required to pay according to the laws for the time being in force in the State in which its properties are situated or otherwise;
- (b) agree that in the event of the Borrower failing to pay the monies referred to in sub- clause (a) the Lender will be at liberty (but shall not be obliged) to pay the same. The Borrower shall reimburse all sums paid by the Lender in accordance with the provisions contained in this Agreement.
 - (i) The Borrower shall reimburse all sums paid by the Lender under demand from the Lender. All such sums shall be debited to the Borrower's Loan Account and shall carry interest from the date of payment till such reimbursement at the maximum Applicable Lending Rate (in the case of rupee loans).

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(ii) In case of default in making such reimbursement within 30 days from the date of notice of demand, the Borrower shall also pay on the defaulted amounts. Liquidated Damages at the rate of 2% per annum from the expiry of 30 days from the date of notice of demand till reimbursement.
(iii) The Borrower hereby authorise the Lender to debit its current account with the Lender to the extent of expenditure incurred under this Agreement.

(v) Annual accounts

Submit to the Lender its duly audited annual accounts within six months from the close of its accounting year. In case statutory audit (if required) is not likely to be completed during this period, the Borrower shall get its accounts audited by an independent firm of Chartered Accountants and furnish the same to the Lender;

(vi) Memorandum and Articles of Association

Carry out such alterations to its Memorandum and Articles of Association as may be deemed necessary in the opinion of the Lender to safeguard the interests of the Lender arising out of this Agreement;

(vii) Escrow Account

The Borrower shall enter into the Escrow Agreement to establish special purpose no- lien accounts viz. Escrow Account with the Escrow Bank and make firm arrangements (i) for prompt deposit of all proceeds of the Purpose as stated in the Financing Plan to the credit of the said Escrow Account and (ii) for transfer by the Escrow Bank of the proceeds of the Escrow Account into various sub-accounts in the manner and priority as may be specified/prescribed by the Lender.

B) Without the prior written approval of the Lender, the Borrower shall not,

(i) New project

Undertake any new project, diversification, modernisation or substantial expansion of the project described in this Agreement. The word “substantial” shall have the same meaning as under the Industries (Development and Regulation) Act, 1951.

(ii) Loans, debentures and charges

Issue any debentures, raise any loans, accept deposits from public, issue equity or preference capital, change its capital structure or create any charge on its assets (except as permitted by this Agreement) or give any guarantees. This provision shall not apply to normal trade guarantees or temporary loans and advances granted to staff or contractors or suppliers in the ordinary course of business or raising of unsecured loans, overdrafts, cash credit or other facilities from banks in the ordinary course of business.

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(iii) Premature Repayment

Prepay any loan availed by it from any other party for the project without prior written approval of the Lender, which may be granted subject to such conditions as may be stipulated by the Lender.

(iv) Commission

Pay any commission to its Promoters, guarantor, directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower for the purpose of the project.

(v) Subsidiaries

Create any subsidiary or permit any company to become its subsidiary.

(vi) Merger, Consolidation, Etc.

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(vii) Dividend

Declare or pay dividend to its shareholders so long as an Event of Default has occurred and is continuing and the Borrower is not in compliance with stipulated Financial Covenants. Further any dividend payment by the Borrower shall be done with a prior written approval of the Lender.

(viii) Investments by Borrower

Make any investments by way of deposits, loans or in share capital of any other concerns (including subsidiaries) beyond projected and accepted level by the Lender so long as any money remains due and payable to the Lender; the Borrower will however be free to deposit funds by way of security with third party in the normal course of business or if required for the business.

(ix) Revaluation of assets

Revalue its assets at any time until the Final Settlement Date.

(x) Subordination to the Loan

The Borrower agrees and undertakes that, the subordinate unsecured loan amounting to ₹225,00,00,000/- (rupees two hundred and twenty crores only) or other monies brought in by any Person as loans (except the loans advanced by the Existing Secured Lenders), shall:

- (a) be subordinated to the Loan;

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- (b) not be repaid/redeemed till the Final Settlement Date;
- (c) not carry any interest till the Final Settlement Date; and
- (d) be without recourse to the Lender and the assets of the Borrower.

Provided however, the subordinate unsecured loan amounting to ₹225,00,00,000/- (rupees two hundred and twenty crores only) may be withdrawn by infusion of equal amount of fresh capital by way of issue of initial public offering or private placement of shares by the Borrower.

(xi) Sale, Disposal and Removal of Assets

The Borrower shall not sell, dispose off, charged, encumbered or alienated, any land, building, structures or plant & machinery forming part of its assets, except in the ordinary course of business.

3.3 Management

- a. The Borrower shall, as and when required by the Lender, appoint and change to the satisfaction of the Lender, the managing director, whole time director, suitable technical, financial and executive staff of proper qualifications and experience for the key posts. The terms of such appointments, including any changes therein, shall be subject to prior approval of the Lender.
- b. (i) Lender shall have the right to appoint, whenever they consider necessary, any person, firm, company or association of persons engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and its factory and to report to the Lender. The Lender shall have the right to appoint, whenever they consider necessary, any Chartered Accountants/Cost Accountants as auditors for carrying out any specific assignment(s) or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or for conducting a special audit of the Borrower. The costs, charges and expenses including professional fees and travelling and other expenses of such consultants or auditors shall be payable by the Borrower.
- (ii) The Borrower shall constitute such committees of the Board with such composition and functions as may be required by the Lender for close monitoring of different aspects of its working.

3.4 Nominee Director

- (i) The Lender shall have the right to appoint and remove from time to time, a Director on Board of Directors of the Borrower.
- (ii) The Nominee Director shall not be required to hold qualification shares and not be liable to retire by rotation.
- (iii) The Nominee Director shall be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors but if any other fees, commission, monies or remuneration in any form is payable to the directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

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Provided that if any such Nominee Director is an officer of the Lender, the sitting fees in relation to such Nominee Director shall also accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

Any expenditure incurred by the Lender or the Nominee Director in connection with his appointment or directorship shall be borne by the Borrower.

- (iv) The Nominee Director shall be appointed a Member of the Management Committee or other committees of the Board, if so desired by the Lender.
- (v) The Nominee Director shall be entitled to receive all notices, agenda and minutes, etc. and to attend all General Meetings and Board Meetings and meetings of any committees of the Board of which he is a member.
- (vi) If, at any time, the Nominee Director is not able to attend a meeting of the Board of Directors or any of its committees, of which he is a member, the Lender may depute an observer to attend the meeting. The expenses incurred by the Lender in this connection shall be borne by the Borrower.

3.5 Financial Covenants

The Borrower agrees to maintain the Financial Covenants at all times till the Final Settlement Date

The Borrower agrees and acknowledges that the Financial Covenants as above shall be calculated annually with reference to the audited financial statements of the Borrower. The first testing of compliance with Financial Covenants shall be done for the financial year 2015 and thereafter, for every financial year till the Final Settlement Date.

The Borrower shall submit to the Lender a compliance certificate from its statutory auditor for each financial year within a period of 6 (six) months from the end of such Financial Year, clearly stating that the Borrower is in compliance with the Financial Covenants as per the audited financial statements.

3.6 Credit Rating

The Borrower shall get all its borrowings rated by any one or more accredited rating agencies within a period of 6 (six) months from the date of 1st (first) disbursement in compliance with the Basel II norms. The Borrower shall thereafter obtain credit ratings for all its borrowings at least at annual intervals and produce satisfactory evidence to the Lender in that regard.

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ARTICLE IV

REPORTS AND INSPECTION

4.1 Auditor's certificate

- (i) At the request of the Lender, caused an investigation conducted by its statutory auditors to ascertain whether there had been any diversion / siphoning of funds by the Borrower. The cost of the investigation shall be borne by the Borrower.
- (ii) Notwithstanding anything contained in hereinabove, the Borrower agrees that the Lender may give instructions to its statutory auditors to carry out the investigation as to whether there was any incidence of diversion / siphoning of funds by the Borrower. The cost of the investigation to be borne by the Borrower.

4.2 Reports

- (i) The Borrower shall furnish to the Lender project completion certificate from the statutory auditor/ Lender's' engineer and such other reports as may be required by them.
- (ii) The Borrower shall maintain fixed assets register as required by law from time to time and shall furnish to the Lender the extract of the fixed asset register within one month after implementation of the project and thereafter as on March 31st of each year until the Final Settlement Date.

4.3 Expenditure records: Inspection

- The Borrower shall,
- i) Maintain records showing expenditure incurred, utilisation of the disbursements out of the Loan the operations and financial condition of the Borrower and such records shall be open to examination by the Lender, and their authorised representatives.
 - ii) Allow the authorised representatives or nominees of the Lender including any auditor or technically qualified person to inspect the assets purchased out of the Loan and will give all facilities to enable such persons to report thereon.
 - iii) The cost of inspection, including travelling and all other expenses, shall be payable by the Borrower to the Lender in this behalf.
- 4.4 The Borrower agrees and undertake to inform the Lender about the term and conditions of the initial public offering of ₹700,00,00,000/- (Rupees seven hundred crores only) approved by SEBI, within days from the date of approval by SEBI of the terms and conditions of the said initial public offering.

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ARTICLE V

EVENTS OF DEFAULTS AND CONSEQUENCES

- 5.1** If one or more of the events specified in this section happen(s), the Lender may by a notice in writing to the Borrower, declare the principal of and all accrued interest on the Loan to be due and payable forthwith and the security created in terms of this Agreement shall become enforceable.
- (a) Default in payment of principal sum of the Loan**
Default has occurred in the payment of principal sum of the Loan on the due dates.
- (b) Default in payment of interest**
Default has been committed by the Borrower in payment of any installment of interest on the Loan and such default has continued for a period of thirty days.
- (c) Default in performance of covenants and conditions**
Default has occurred in the performance of any representation, warranty, other covenant condition or agreement on the part of the Borrower under this Agreement or any other agreement and such default has continued for a period of thirty days after notice in writing thereof has been given to the Borrower by the Lender.
- (d) Inability to pay debts**
The Borrower is unable to pay its debts or proceedings for taking it into liquidation, either voluntarily or compulsorily, may be or have been commenced.
- (e) Attachment or distraint on charged assets**
If an attachment or distraint has been levied on the assets or any part thereof hypothecated/mortgaged to the Lender or certificate proceedings have been taken or commenced for recovery of any dues from the Borrower.
- (f) Appointment of receiver or liquidator**
A receiver or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Borrower.
- (g) Sale, disposal and removal of assets**
If, without the prior approval of the Lender, any land, buildings, structures or plant and machinery of the Borrower are sold, disposed of, charged, encumbered or alienated or the said buildings, structures, machinery, plant or other equipment are removed, pulled down or demolished.
- (h) Submission of misleading information**
Any information given by the Borrower in its application for Loan, in the reports and other information furnished by the Borrower in accordance with the Reporting System and the warranties given / deemed to have been given by the Borrower to the Lender is misleading or incorrect in any material respect.

For Bharat Business Channel Limited

Director / Authorised Signatory

(i) Cross defaults and cross acceleration

- (i) The Borrower's failure to pay any amount more than ₹5,00,00,000/- (rupees five crores only) when due to any person other than the Lender or an event of default being constituted in relation to any of the Borrower's credit, borrowing or any other arrangement with any person other than the Lender.
- (ii) Any person other than the Lender accelerating repayment (i.e demanding repayment ahead of the previously agreed repayment schedule) due from the Borrower to such other person under the Borrower's credit, borrowing or any other arrangement with that person.

5.2 If an Event of Default has taken place then the Lender shall have the right to publish the information in the manner it may consider appropriate.

5.3 Notice to the Lender on the happening of an event of default

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Borrower shall, forthwith give notice thereof to the Lender in writing specifying the nature of such Event of Default, or of such event.

5.4 Expenses of preservation of assets of Borrower and of collection

All expenses incurred by the Lender after an Event of Default has occurred in connection with -
(a) preservation and protection of the Borrower's assets (whether then or thereafter existing); and
(b) collection of amounts due under this Agreement; shall be payable by the Borrower.

5.5 Consequences of Event of Default

If one or more of the aforesaid Events of Default shall occur thereupon and in every such event and anytime thereafter, the Lender shall have the right to terminate the Loan and accelerate the obligations of the Borrower and in exercise of such rights, the Lender may, without prejudice to any rights that it may have, take one or more of the following actions including but not limited to:

- (i) declare that all the outstanding principal amount, interest and other monies due and payable by the Borrower hereunder shall forthwith become due and payable, whereupon such amounts shall become forthwith due and payable without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived, anything contained herein to the contrary notwithstanding;
- (ii) exercise any and all rights specified in the Security Documents including, enforce all of the security created pursuant to the Security Documents;
- (iii) exercise such other remedies as permitted or available under applicable law;
- (iv) enter upon and take possession of the assets of the Borrower; transfer the assets of the Borrower by way of lease or leave and license or sale to any Person;
- (v) instruct any Person, who is liable to make any payment to the Borrower, to pay directly to the Lender;
- (vi) review the management set-up and/ or organisation of the Borrower by appointing any independent/ concurrent auditor/ consultants and require the

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Borrower to restructure it as may be considered necessary by the Lender, including the formation of management committees with such powers and functions as may be considered suitable by the Lender, if in the opinion of the Lender, the business of the Borrower is conducted in a manner opposed to public policy or in a manner prejudicial to the Lender's interests;

5.6 Other Consequences of Event of Default

(a) Right to appoint whole time director / nominee director

Upon the occurrence of an Event of Default the Lender has the right to appoint and remove from time to time Whole -time Director(s) /Nominee Director (s) on the Board of Directors of the Borrower. Such Whole -time Director(s) /Nominee Director (s) shall exercise such powers and duties as may be approved by the Lender and have such rights as are usually exercised by or are available to a Whole -time Director/Nominee Director (s) in the management of the affairs of the Borrower. Such Whole -time Director (s) /Nominee Director (s) shall not be required to hold qualification shares nor liable to retire by rotation and shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Lender. Such Whole -time Director(s) /Nominee Director (s) shall have the right to receive notices of and attend all general meetings and board meetings or any committee of the Borrower of which they are members. Any expenses that may be incurred by the Lender or such Whole -time Director(s)/ Nominee Director (s) in connection with their appointment or directorship shall be paid or reimbursed by the Borrower to the Lender or as the case may be, to such Whole -time Director(s) /Nominee Director(s).

(b) Conversion right

If the Borrower continues to be in default for a period of thirty (30) days or more from due date of instalments of principal amounts of the Loan or interest thereon or any combination thereof, then, the Lender shall have the right to convert (which right is hereinafter referred to as "the conversion right") at their option the whole or part of the outstanding amount of the Loan into fully paid-up equity shares of the Borrower, at par in the manner specified in a notice in writing to be given by the Lender to the Borrower (which notice is hereinafter referred to as the "notice of conversion") prior to the date on which the conversion is to take effect, which date shall be specified in the said notice (hereinafter referred to as the "date of conversion").

- (i) On receipt of notice of conversion, the Borrower shall allot and issue the requisite number of fully paid-up equity shares to the Lender as from the date of conversion and the Lender shall accept the same in satisfaction of the principal amount of the Loan to the extent so converted. The part of the Loan so converted shall cease to carry interest as from the date of conversion and the Loan shall stand correspondingly reduced. Upon such conversion, the instalments of the Loan payable after the date of conversion as per the Amortization Schedule in this Agreement shall stand reduced proportionately by the amounts of the Loan so converted. The equity shares so allotted and issued to the Lender shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Borrower. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Borrower in all respects.

For Bharat Business Channel Limited


Director / Authorised Signatory

- ii) The conversion right reserved as aforesaid may be exercised by the Lender on one or more occasions until the Final Settlement Date.
- iii) The Borrower assures and undertakes that in the event of the Lender exercising the right of conversion as aforesaid, the Borrower shall get the equity shares which will be issued to the Lender as a result of the conversion, listed with the Stock Exchange(s) at Mumbai and such other places as may be notified by the Lender to the Borrower.

For the purposes of this clause it shall not be construed as a default, if the Borrower approaches the Lender well in advance for postponement of principal or interest, as the case may be, and the Lender agree to the same.

Explanation: the term “outstanding” shall mean the principal amount of the Loan, interest and other monies payable thereon as at the time when the amounts are sought to be converted into equity shares of the Borrower.

For Bharat Business Channel Limited

Director / Authorised Signatory

ARTICLE VI
MISCELLANEOUS.

6.1 Cancellation by notice to the Borrower

The Lender may, by notice in writing to the Borrower, cancel the Loan or any part thereof, which the Borrower has not withdrawn prior to the giving of such notice.

6.2 Suspension

Further access by the Borrower to the use of the Loan may be suspended or terminated by the Lender:

- i) Upon failure by the Borrower to carry out all or any of the terms of this Agreement or on the happening of any Event of Default as provided in this Agreement.
- ii) If any extra-ordinary situation makes it improbable that the Borrower would be able to perform its obligations under this Agreement.
- iii) If any change in the Borrower's set-up has taken place which, in the opinion of the Lender (which shall be final and binding on the Borrower), would adversely affect the conduct of the Borrower's business or the Financial position or the efficiency of the Borrower's management or personnel or carrying on its activities.

6.3 Suspension to continue till default remedied

The right of the Borrower to make withdrawals from the Loan shall continue to be suspended until the Lender has notified the Borrower that the right to make withdrawals has been restored.

6.4 Termination

If any of the events described above and elsewhere in this Agreement has been continuing or if the right of the Borrower to make withdrawals from the Loan shall have been suspended with respect to any amount of the Loan for a continuous period of thirty days or if the Borrower has not withdrawn the Loan by the date referred to herein or such later date as may be agreed to by the Lender then, in such event, the Lender may by notice in writing to the Borrower, terminate the right of the Borrower to make withdrawals. Upon such notice, the undrawn amount of the Loan shall stand cancelled. Notwithstanding any cancellation, suspension or termination pursuant to the aforesaid provisions, all the provisions of this Agreement shall continue to be in full force and effect as herein specifically provided.

6.5 Provisions relating to waiver

No delay in exercising or omission to exercise any right, power or remedy accruing to the Lender upon any default under this Agreement, security documents or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Lender in respect of any default or any acquiescence by the Lender in any default, affect or impair any of its right, power or remedy in respect of any other default.

For Bharat Business Channel Limited

Director / Authorised Signatory

6.6 Evidence and calculations

(a) Accounts

In any legal action or proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained by the Lender shall be conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded.

(b) Statement of accounts

Any certification or determination by the Lender of a rate of interest or amount under this Agreement is conclusive evidence of the matters to which it relates.

6.7 Effective date of Agreement

This Agreement shall become binding on the Borrower and the Lender on and from the date first above written. It shall be in force till all monies due and payable and disbursed from time to time under this Agreement are fully paid off.

6.8 Assignments etc.

(a) The Borrower shall have no right of assignment under this Agreement without the prior approval of the Lender.

(b) The Lender may securitise, assign, transfer or novate any of its rights and obligations under this Agreement, and or under the loan/security documents and the Borrower shall take such action as may be necessary to perfect such transaction.

6.9 Service of notice

Any notice or request to be given or made to the Lender or to the Borrower or to any other party shall be in writing. Such notice or request shall be deemed to have been given or made when it is delivered by hand or despatched by mail, e-mail, or fax, or overnight courier to the party to which it is required to be given or made at such party's designated address.

For Bharat Business Channel Limited


Director / Authorised Signatory

ARTICLE VII

DEFINITIONS AND INTERPRETATION

7.1 DEFINITIONS

The following capitalised terms wherever used in this Agreement shall have the meanings given hereunder:

“**Additional Interests**” shall mean collectively the Additional Interest for Non - Creation of Security and Additional Interest for Non-Adherence of Financial Covenant.

“**Agreement**” shall mean this loan agreement together with all recitals and schedules, attached to this Agreement and shall include any amendment to this Agreement made by the Parties from time to time after the date hereof.

“**Amortization Schedule**” shall mean the schedule of repayment of the Loan set forth in **Schedule I** of this Agreement as amended by the Lender.

“**Applicable Interest Rate**” shall mean at any relevant time, and in relation to the Loan, the interest rate as set out below, including the interest rate as revised pursuant to the reset of the Spread as per Article 1.3 (ii) of this Agreement -

APPLICABLE INTEREST RATE	
UBI	Applicable Interest Rate shall be floating at a Spread of 275 basis points above the IDBI Base Rate. The present IDBI Base Rate is 10.25 %.

“**Authorised Officer**” shall mean with respect to any person, any officer of such person that is authorized to sign on behalf of such person and at the time being listed as such by the company secretary of such person in the most recent certificate of such company secretary delivered to the Lender.

“**Business Plan**” shall mean 3 year business plan financing of Rs.2411 crore, to be financed by way of: Rupee Term Loan (RTL) of Rs.1200 crore (Rs.750 crore in FY 2013, Rs.400 crore in FY 2014 and Rs.50 crore in FY 2015), Rs.630 crore in the form of equity capital through IPO and Rs.581 crore in the form of, internal accruals & decrease in net current assets.

“**Contributed Equity**” shall mean equity share capital (including share premium) and unsecured loan from promoters.

“**DTH License**” shall mean DTH License agreement dated December 28, 2007, executed between our Company and the President of India acting through the Director, Broadcasting, Policy & Legislation, Ministry of Information and Broadcasting, Government of India, to provide DTH services.

“**Debt Service Reserve**” or “**DSR**” shall mean the reserve equivalent to ensuing 1 (one) quarter of debt service payment be created and maintained by the Borrower.

For Bharat Business Channel Limited

Director / Authorised Signatory

“**Debt Service Reserve Account**” or “**DSRA**” shall have the meaning ascribed to it under the Escrow Agreement.

“**Escrow Account**” shall mean an escrow account established in terms of and under the Escrow Agreement and shall include the sub-accounts.

“**Escrow Agreement**” shall mean the escrow agreement entered/ to be entered into among, inter alia, the Borrower and the Lender on or about the date of this Agreement, as may be amended and supplemented from time to time.

“**Escrow Bank**” shall mean any bank appointed by the Lender in writing for operating and maintain the Escrow Account.

“**Events of Default**” shall mean all or any of the events specified in Article 5.1 of this Agreement.

“**Existing Secured Lenders**” shall mean all the existing secured lenders of the Borrower as listed in Schedule II of this Agreement.

“**Financial Covenant**” shall mean –

- (i) Total Debt to Contributed Equity shall not be more than 2 (two); and
- (ii) Fixed Asset Coverage Ratio not less than 1.25 (one point twenty five).

“**Financing Documents**” shall mean, as the context may require or admit, any or all of the following documents, as may be amended from time to time, namely-

- (i) this Agreement;
- (ii) the Security Documents; and
- (iii) any other document designated as the Financing Documents by the Lender.

“**Financing Plan**” shall mean the 3 (three) year Business Plan financing of ₹2410,69,00,000/- (rupees two thousand four hundred and ten crores and sixty nine lakhs only) to be financed as under –

Source of fund	Amount (Rs. in Crores)
Rupee Term Loans	
(i) FY 2013	750
(ii) FY 2014	400
(iii) FY 2015	50
(A) Total Rupee Term Loans (i + ii + iii)	1200
(B) Equity Capital Through IPO	630
(C) Internal Accruals and Decrease in Net Current Assets	580.69
TOTAL (A+B+C)	2410.69

For Bharat Business Channel Limited

Director / Authorised Signatory

“**Final Settlement Date**” shall mean the date on which all the monies due under the Financing Documents shall have been irrevocably and unconditionally paid, performed and discharged in full to the satisfaction of the Lender.

“**Fixed Asset Coverage Ratio**” shall mean Net Fixed Assets divided by Secured Term Loan.

“**Greenfield Appliances Private Limited**” shall mean a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its corporate identity number [•] and Registered Office at 2275, Adate Bazar, Ahmednagar - 414001.

“**IDBI Base Rate**” shall mean the rate of interest per annum as determined, from time to time by IDBI Bank Limited, whether known as base rate or any other nomenclature for the same as applicable to rupee loans and such rate shall be fully floating for the tenor of the Loan.

“**Interest Payment Date**” shall mean at any time, the 1st (first) day of each month on which the Borrower is required to pay interest at the Applicable Interest Rate on the Loans as per this Agreement.

“**Interest Period**” shall mean (i) in the first instance, the period commencing from the date of disbursement of the Loan under this Agreement and ending on and including the next Interest Payment Date; and (ii) subsequently, each period commencing from and excluding one Interest Payment Date and ending on (and including) the next Interest Payment Date.

“**Loan**” shall have the meaning ascribed to it under Article 1.2(a) of this Agreement.

“**Lenders’ Legal Counsel**” or “**LLC**” shall mean M/s Link Legal - India Law Services, or any replacement therefor, as may be selected and appointed by the Lender.

“**Material Adverse Effect**” shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on: (i) the financial condition, business or operation of the Borrower; (ii) the ability of the Borrower to perform its obligations under the Financing Documents; (iii) the ability of the Borrower to comply in all respects with the terms or conditions of any of the approvals; and (iv) the legality, validity or enforceability of any of the Financing Documents, (including the ability of any Lender to enforce any of its remedies under the Financing Documents), the other agreements/ contracts to which it is a party or the approvals.

“**Nominee Director**” shall mean the nominee director appointed by the Lender pursuant to Article 3.4 of this Agreement.

“**Permitted Investments**” shall mean any of the investments mentioned below made with the prior approval of the Lender –

- (i) Government of India securities;
- (ii) Rupee negotiable certificates of deposit, debt instruments or similar instruments denominated in Rupees, which is for the time being rated at least AAA or equivalent short term money market ratings by either of CRISIL or CARE or FITCH or ICRA or any other reputed rating agency;

For Bharat Business Channel Limited

Director / Authorised Signatory

- (iii) Interest bearing deposits with the Lender;
- (iv) Money market mutual funds rated at least AAA or equivalent money market ratings by either of CRISIL or CARE or FITCH or ICRA or any other reputed rating agency;
- (v) Commercial paper (rated at least P-1 + or its equivalent thereof by either of CRISIL or CARE or FITCH or ICRA or any other reputed rating agency); and
- (vi) Any other investment that may be permitted by the Lender in writing.

“**Promoters**” shall mean (a) Solitaire Appliances Private Limited; (d) Platinum Appliances Private Limited; and (e) Greenfield Appliances Private Limited.

“**Purpose**” shall mean the purpose of meeting the funding requirements during the Business Plan period viz. solely towards creation of assets including –

- (i) Subscriber acquisition cost viz. the cost of consumer premises equipment (“**CPE**”) (consisting of set top box, outdoor unit and smart card)
- (ii) Cost of CPE inventory build-up; and
- (iii) Other general capital expenditure.

“**Platinum Appliances Private Limited**” shall mean a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its corporate identity number [•] and Registered Office at 2275, Adate Bazar, Ahmednagar - 414001.

“**Rupees**” and the sign of “₹” shall mean the lawful currency of India.

“**Security**” shall have the meaning ascribed to it under Article 2.1 of this Agreement.

“**Security Documents**” shall mean, as the context may require or admit, any or all of the following documents, as may be amended from time to time, namely-

- (i) guarantees to be provided by the (a) Shri Venugopal Dhoot; (b) Shri Pradeep Kumar N. Dhoot (c) Solitaire Appliances Private Limited; (d) Platinum Appliances Private Limited and (e) Greenfield Appliances Private Limited;
- (ii) the deed of hypothecation;
- (iii) any document executed or obtained in favour of/ for the benefit of the Lender for creation of/ perfection of/ maintaining the Security; and
- (iv) any other document designated as such by the Lender.

“**Solitaire Appliances Private Limited**” shall mean a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its corporate identity number [•] and Registered Office at 2275, Adate Bazar, Ahmednagar – 414001..

“**Spread**” shall mean the margin over and above the IDBI Base Rate to derive at the Applicable Interest Rate as may be notified by the IDBI Bank Limited.

“**Total Loan**” shall mean the rupee term loans aggregating ₹1200,00,00,000/- (rupees twelve hundred crores only) agreed to be provided by the lenders to the Borrower to part finance the Purpose.

“**Total Debt**” shall mean Secured Term Loan from various Banks and Financial Institutions.

For Bharat Business Channel Limited

Director / Authorised Signatory

[Note LL-ILS: Lender to provide]

7.2 INTERPRETATION

In this Agreement unless the context otherwise requires:

- i) the singular includes the plural and *vice versa*;
- ii) headings and the use of bold typeface shall be ignored in its construction;
- iii) a reference to a Section or Article or Schedule is, unless indicated to the contrary, a reference to a section/ article in, or schedule to, this Agreement;
- iv) references to this Agreement shall be construed as references also to any separate or independent stipulation or agreement contained in it;
- v) the words “other”, “or otherwise” and “whatsoever” shall not be construed *ejusdem generis* or as any limitation upon the generality of any preceding words or matters specifically referred to;
- vi) references to the word “includes” or “including” are to be construed without limitation;
- vii) references to a Party or a Person shall include their respective successors, assigns or transferees (to the extent assignment or transfer is permitted under the relevant agreement);
- viii) all references to agreements, documents or other instruments include a reference to that agreement, document or instrument as amended, supplemented, substituted, novated or assigned from time to time;
- ix) the words “herein”, “hereto” and “hereunder” refer to this Agreement as a whole and not to the particular section in which such word may be used;
- x) words importing a particular gender shall include all genders;
- xi) references to any law shall include references to such law as it may, after the date of this Agreement, from time to time be amended, supplemented or re-enacted;
- xii) unless the reference to month is for specifying a period, all references to “month” shall mean English calendar month provided that wherever the reference to the expression “month” is used in the context of period, it shall mean a period of 30 (thirty) days. All references to quarter shall mean a period of 3 (three) months commencing on 1st January, 1st April, 1st July and 1st October, provided that for repayment of the Loans, the period of quarter shall be construed as per the Amortization Schedule;
- xiii) the currency of money shall be Indian Rupee;
- xiv) all consents, approvals, permissions, waivers, relaxations or extensions required to be given by the Lender shall be given by the Lender in writing; and
- xv) in the event of any disagreement or dispute between the Lender and the Borrower regarding the materiality of any matter including of any event, occurrence, circumstance, charge, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Lender as to materiality of any of the forgoing shall be final and binding on the Borrower.

For Bharat Business Channel Limited


Director / Authorised Signatory

SCHEDULE I
(AMORTISATION SCHEDULE)

The company shall repay the principal amount of the Loan in 24 (twenty four) unequal quarterly installments commencing after 21/4 years from the date of 1st (first) disbursement (tentatively April 1, 2015) as under:

No. of Installment	Date of repayment	Amount of installment	Loan Outstanding after repayment of installment
1	1-Apr-2015	1.88	148.13
2	1-Jul-2015	1.88	146.25
3	1-Oct-2015	1.88	144.38
4	1-Jan-2016	1.88	142.50
5	1-Apr-2016	2.81	139.69
6	1-Jul-2016	2.81	136.88
7	1-Oct-2016	2.81	134.06
8	1-Jan-2017	2.81	131.25
9	1-Apr-2017	5.63	125.63
10	1-Jul-2017	5.63	120.00
11	1-Oct-2017	5.63	114.38
12	1-Jan-2018	5.63	108.75
13	1-Apr-2018	7.50	101.25
14	1-Jul-2018	7.50	93.75
15	1-Oct-2018	7.50	86.25
16	1-Jan-2019	7.50	78.75
17	1-Apr-2019	9.38	69.38
18	1-Jul-2019	9.38	60.00
19	1-Oct-2019	9.38	50.63
20	1-Jan-2020	9.38	41.25
21	1-Apr-2020	10.31	30.94
22	1-Jul-2020	10.31	20.63
23	1-Oct-2020	10.31	10.31
24	1-Jan-2021	10.31	-
		150.00	

For Bharat Business Channel Limited


Director / Authorised Signatory

SCHEDULE II

PARTICULARS OF THE EXISTING SECURED LENDERS

- (a) Central Bank of India for their rupee term loan of ₹350 Crore;
- (b) IDBI Bank Term Loan of ₹360 crore
- (c) Bank of Baroda (RTL of ₹100 crore)
- (d) Oriental Bank of Commerce (RTL of ₹100 crore)
- (e) Bank of India (RTL of ₹50 crore)
- (f) ICICI Bank Ltd (RTL of ₹300 crore)
- (g) Karur Vyasya Bank Ltd. (RTL of ₹50 crore)
- (h) Canara Bank (RTL of ₹200 crore)
- (i) Syndicate Bank (RTL of ₹100 crore)
- (j) Jammu & Kashmir Bank (RTL of ₹100 crore)
- (k) Dena Bank (RTL of ₹100 crore)

For Bharat Business Channel Limited

Director / Authorised Signatory

IN WITNESS WHEREOF the Borrower has caused its Common Seal to be affixed hereto and to a duplicate hereof on the day, month and year first hereinabove written and the Lender has caused the same and the said duplicate to be executed by the hand of Shri. Omkar Sharma authorised official of the Lender as hereinafter appearing.



THE COMMON SEAL OF BHARAT BUSINESS CHANNEL LIMITED has (pursuant to the Resolution of its Board of Directors passed in that behalf on the 3rd Day of April 2013 hereunto been affixed in the presence of Shri Laxman D Gharge, Authorised Signatory and Power of Attorney Holder.

For Bharat Business Channel Limited



Director / Authorised Signatory



SIGNED AND DELIVERED BY the withinnamed Lender by the hand of Shri Omkar Sharma an authorised official of the Lender.



[\(Back To Top\)](#)

Section 20: EX-10.14 (EXHIBIT 10.14)

Exhibit 10.14

United

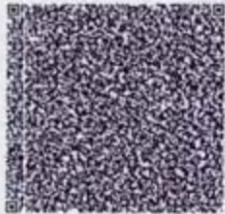


INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	: IN-DL11606092271486L
Certificate Issued Date	: 07-May-2013 09:02 AM
Account Reference	: IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL73600322561759308482L
Purchased by	: BHARAT BUSINESS CHANNEL LTD
Description of Document	: Article 5 General Agreement
Property Description	: NA
Consideration Price (Rs.)	: 0 (Zero)
First Party	: BHARAT BUSINESS CHANNEL LTD
Second Party	: NA
Stamp Duty Paid By	: BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	: 100 (One Hundred only)



.....Please write or type below this line.....

THIS STAMP PAPER FORMS AN INTEGRAL PART OF LOAN AGREEMENT DATED 14.05.2013 EXECUTED AT NEW DELHI BY BHARAT BUSINESS CHANNEL LTD IN FAVOUR OF UNITED BANK OF INDIA.



For Bharat Business Channel Limited

Director / Authorised Signatory

Statutory Alert:
1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs)
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.shcilstamp.com."



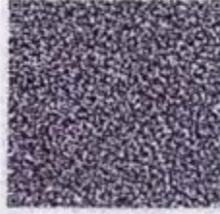
सत्यमेव जयते

INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL11606104249834L
Certificate Issued Date : 07-May-2013 09:02 AM
Account Reference : IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600322561706973736L
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Property Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : NA
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



.....Please write or type below this line.....

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2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.sholestamp.com"



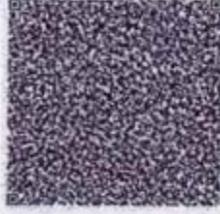
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INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : IN-DL11606130086143L
Certificate Issued Date : 07-May-2013 09:02 AM
Account Reference : IMPACC (IV)/ dl738003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600322561659646902L
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Property Description : NA
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : NA
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



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**THIS STAMP PAPER FORMS AN INTEGRAL PART OF LOAN AGREEMENT
DATED 14.05.2013 EXECUTED AT NEW DELHI BY BHARAT BUSINESS
CHANNEL LTD IN FAVOUR OF UNITED BANK OF INDIA.**



For Bharat Business Channel Limited

Director / Authorised Signatory

Statutory Alert:

1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Web site "www.aholiestamp.com"

LOAN AGREEMENT

BETWEEN

BHARAT BUSINESS CHANNEL LIMITED
AS BORROWER

AND

UNITED BANK OF INDIA
AS LENDER

LOAN AGREEMENT

THIS AGREEMENT made at New Delhi this 14th day of May, 2013.

BETWEEN

BHARAT BUSINESS CHANNEL LIMITED, a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its Company Identification No. U92100MH2002PLC137947 and Registered Office at Auto Card Compound, Adalat Road, Aurangabad - 431 005 (hereinafter referred to as the "**Borrower**") which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors of the **FIRST PART**;



For Bharat Business Channel Limited
Director / Authorised Signatory

AND

United Bank of India, acting through its office at Corporate Finance Branch, United Bank of India Building, 2nd Floor, 25, Sir P.M. Road, Fort, Mumbai-400 001 (hereinafter referred to as the “**Lender**” which expression shall, unless it be repugnant to the subject, meaning or context thereof, be deemed to mean and include its successors, assigns, transferees and novatees) of the **SECOND PART**.

WHEREAS:

- A. The Borrower intends to part finance the Purpose as per the Financing Plan which includes availing of the Total Loan from the lenders;
- B. The Borrower has requested the Lender to provide the Loan to enable the Borrower to part finance the Purpose; and
- C. The Lender has at such request of the Borrower has agreed to grant the Loan to the Borrower on the terms and conditions set out in this Agreement.

NOW IT IS HEREBY AGREED AS FOLLOWS:

ARTICLE I

THE LOAN

1.1 Definitions and Interpretation

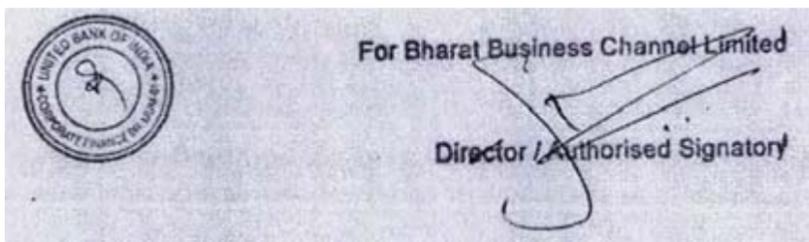
For the purpose of this Agreement, (i) capitalised terms, not otherwise defined in this Agreement, shall have the meanings set forth in Article 7.1 of this Agreement, and (ii) the principles of interpretations of this Agreement shall be as set forth in Article 7.2 of this Agreement.

1.2 Amount and terms of the Loan

- (a) The Borrower agrees to borrow from the Lender and the Lender agrees to lend and advance to the Borrower a rupee term loan of Rs.150,00,00,000/- (Rupees one hundred fifty crore only) for the Purpose on the terms and conditions contained herein forming part of the Total Loan (hereinafter referred to as the “**Loan**”).
- (b) The Borrower agrees that the proceeds of the Loan shall be utilized for the Purpose as per the Financing Plan.

1.3 Interest

- (i) The Borrower shall pay to the Lender interest for the Interest Period at the Applicable Interest Rate on the principal amount of the Loan and all other monies outstanding from time to time. Such interest shall be paid monthly in arrears on the Interest Payment Date.



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- (ii) The Lender reserves the right to reset the interest rate (including margin/ Spread) at the end of 12 (twelve) months from the date of 1st (first) disbursement under this Agreement and every year thereafter. The Borrower agrees to pay the interest at the reset rate as may be notified by the Lender from time to time.
- (iii) The Borrower agrees and acknowledges that the IDBI Base Rate shall be floating till the Final Settlement Date.
- (iv) All interest on the Loan, Additional Interests, Liquidated Damages and all other monies accruing under this Agreement and other Financing Documents shall, in case the same are not paid on the respective due dates, carry interest/further interest at the Applicable Interest Rate (hereinafter referred to as the **"Further Interest"**) computed from the respective due date until such payment and shall become payable upon the footing of compound interest with monthly rests on demand and in the absence of any such demand on the next Interest Payment Date falling after the date of default.
- (v) In the event the Security as provided in Article II of this Agreement is not created and perfected within the time lines as provided under Article II of this Agreement,
- (a) the Borrower shall pay to the Lender an additional interest at the rate of 1% (one percent) per annum in addition to the Applicable Interest Rate on the disbursements made pending the creation of security within the time line as stated above for the period from the date of 1st (first) disbursement till the security is created and perfected as per Article II of this Agreement (hereinafter referred to as the **"Additional Interest for Non – Creation of Security"**).
- (b) The Borrower recognizes that the payment of Additional Interest for Non – Creation of Security as above does not absolve the Borrower from creating the Security promptly and notwithstanding the payment of any Additional Interest for Non – Creation of Security to the Lender, non-creation of Security within the stipulated time, shall entitle the Lender to call an Event of Default. Any delay in calling such Event of Default or acceptance of payments of Additional Interest for Non – Creation of Security shall not be construed as a waiver of, or an estoppel against, the right of the Lender to call an Event of Default at their sole discretion at such time as they deem fit.
- (vi) If Borrower defaults in payment of any installment of principal amount of the Loan, interest thereon or any other monies (except Liquidated Damages) on the respective due dates, the Borrower shall pay on such defaulted amounts, liquidated damages at the rate of 2 % (two percent) per annum for the period of default (hereinafter referred to as the **"Liquidated Damages"**), which shall be payable on demand or in the absence of any such demand on the next Interest Payment Date falling after the date of default.
- (vii) In the event of adverse deviation by more than 10% (ten percent) in the Financial Covenants from the levels stipulated in the definition of Financial Covenants for a minimum period of 1 (one) year, the Borrower shall pay to the Lender a deviation interest at the rate of 1% (one percent) per annum on the Loan outstanding (hereinafter referred to as the **"Additional Interest for Non-Adherence of Financial Covenant"**). Such interest shall be payable for the entire Financial Year(s) during which the Financial Covenants are not adhered to; which shall be payable on demand or in the absence of any such demand on the next Interest Payment Date falling after the date of default.



For Bharat Business Channel Limited
Director / Authorised Signatory

The determination of any such deviation in the Financial Covenants for the aforesaid purposes shall be done once in a Financial Year on the basis of annual audited financial statements of the Borrower with the first such determination being done for the financial year 2015 and thereafter for every financial year till the Final Settlement Date.

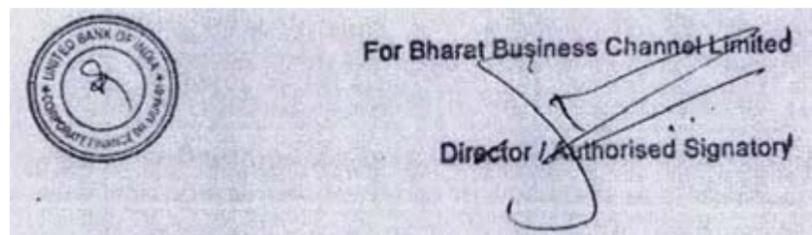
- (viii) Interest, Further Interest, Additional Interests, Liquidated Damages and all other charges shall accrue from day to day and shall be computed on the basis of 365 days' a year and the actual number of days elapsed.
- (ix) The Borrower agrees and acknowledges that the Further Interest, Additional Interests and the Liquidated Damages stated above are a genuine pre-estimate of loss that will be incurred or suffered by the Lender if the event(s) specified respectively therein occur(s).

1.4 Debt Service Reserve

- (i) The Borrower shall on or before January 1, 2015, create and thereafter maintain, at all times till the Final Settlement Date, the DSR in the DSRA out of cash flows of the Borrower available after meeting its debt service obligations hereunder.
- (ii) In lieu of the cash DSR as stipulated in Article 1.4(i) above, the Borrower shall procure and furnish to the Lender, an unconditional and irrevocable bank guarantee/ letter of credit from a bank acceptable to the Lender, in a form, manner and on terms and conditions acceptable to the Lender. Such bank guarantee/ letter of credit shall, amongst other terms, entitle the Lender to make a demand at any time, if there is any shortfall in the payment of principal amount of the Loan or the interest by the Borrower. The bank guarantee/ letter of credit as above shall not have any recourse to the assets of the Borrower or the Lender and shall be suitably renewed/ enhanced till the Final Settlement Date.
- (iii) The amounts accumulated in the DSRA shall not be used for any purpose other than for meeting shortfall in the payment of principal amount of the Loan or the interest by the Borrower from time to time. The Borrower shall invest the funds in the DSRA only in Permitted Investments.

1.5 Last Date Of Drawal

- (i) Unless the Lender otherwise agrees, the right of the Borrower to request for disbursement of the Loan shall cease at the end of the period of 2 (two) years from the date of 1st (First) disbursement of the Loan under this Agreement (hereinafter referred to as the "**Availability Period**") and any undrawn portion of the Loan shall automatically stand cancelled at the expiry of the said period of 2 (two) years from the date of 1st (first) disbursement of the Loan.
- (ii) All disbursements under this Agreement shall be made pursuant to the quarterly drawdown schedule submitted by the Borrower to the Lender on or prior to the date of this Agreement indicating the date and the amount of disbursement sought by the Borrower on the respective dates under the Availability Period (hereinafter referred to as the "**Drawdown Schedule**"). However, the Drawdown Schedule may be amended or replaced by the Borrower with 30 (thirty) days prior written notice to the Lender before the commencement of the each quarter with the prior written approval of the Lender. Such modified or amended drawdown schedule shall be treated as the Drawdown Schedule.



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(iii) Commitment Fee

The Borrower shall pay to the Lender a non-refundable commitment fee at the applicable rate on the amounts not drawn or drawn in variance with the Drawdown Schedule, quarterly in arrears on the last day of each quarter. Such charges shall be calculated on the basis of the drawdown not sought and the number of days deviated from the dates indicated in the Drawdown Schedule.

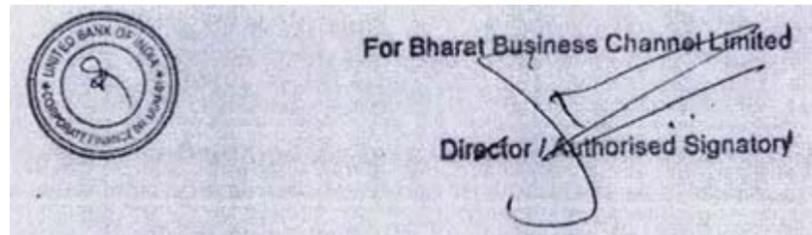
1.6 Repayment

- (i) The Borrower undertakes to repay the principal amount of the Loan in accordance with the Amortization Schedule as set forth in Schedule or as advised and pay the interest, Additional Interests, Further Interest, Liquidated Damages, fees and other charges as stipulated in this Agreement.
- (ii) The Lender may, wherever warranted, revise, accelerate, vary or postpone the repayment of the principal amounts of the Loan or the balance outstanding for the time being or any installments(s) of the said principal amounts of the Loan or any part thereof by giving prior notice to the Borrower on such terms and conditions as may be decided by it and the Borrower shall be deemed to have consented to the same.
- (iii) In the event of any default in the payment of installments of principal, any interest, Additional Interests, Further Interest and Liquidated Damages, postponement, if any, allowed by the Lender shall be at the rate of interest as may be stipulated by the Lender at the time of postponement and the Borrower shall be deemed to have consented to the same.
- (iv) If, for any reason, the amount finally disbursed by the lender out of the Loan is less than the amount of the Loan, the number of installments of repayment of the Loan shall stand reduced accordingly and be payable as per the revised Amortisation Schedule advised by the Lender and the Borrower shall be deemed to have consented to the same.

1.7 Appropriation of payments

Unless otherwise agreed to by the Lender, any payments due and payable under this Agreement and made by the Borrower shall be appropriated towards such dues in the folio wing order, viz.:

- i) Interest on costs, charges, expenses and other monies;
- ii) Costs, charges, expenses and other monies;
- iii) Further interest and Liquidated Damages on defaulted amounts;
- iv) Interest including Additional Interests, payable in terms of this Agreement;
- v) Premium on prepayment
- vi) Repayment of principal/ installments of principal due and payable under this Agreement.



1.8 Place and mode of payment by the Borrower

All the monies payable by the Borrower to the Lender shall be made directly to the Lender to any of its branches /offices as may be specified by them by Real Time Gross Settlement or such other electronic mode acceptable to the Lender to the account of such office (s). Credit for payment will be given on realization of the amount by the Lender or the relative due date, whichever is later.

1.9 Premature repayment

(i) Any prepayment of the Loan shall be subject to payment of prepayment premium at the rate of 2 % (two percent) per annum of the pre-paid principal amount.

Provided that no prepayment premium shall be payable by the Borrower, if the prepayment is at instance of the Lender or if the Borrower opts to prepay the entire outstanding of the Loan and other monies within 90 (ninety) days from the date of advise of the increase in the Spread on interest rest dates and after serving due notice upon the Lender.

(ii) Any notice of prepayment under this Agreement shall be given to the Lender or to and shall be irrevocable.

(iii) No amount prepaid under this Agreement may subsequently be re-borrowed under the Loan.

(iv) All prepayments under this Agreement shall be made together with accrued interest on the amount prepaid and any other amounts payable under this Agreement.

1.10 Due date of payment

If the due date in respect of any installment of principal, interest, Additional Interests, Further Interest and Liquidated Damages and all other monies payable under this Agreement falls on a day which is a bank holiday at the place where the payment is to be made, the immediately preceding working day shall be the due date for such payment.

1.11 Interest Tax, etc.

The Borrower agrees and acknowledges that, all rates of interest including the Applicable Interest Rate. Further Interest, Additional Interests and Liquidated Damages are exclusive of interest tax, service tax and/ or any other levies/ duties, which shall be payable by the Borrower to the Lender in addition to such rates of interest.

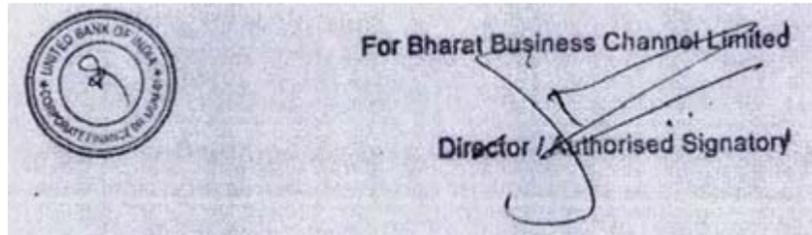
1.12 Pre-Commitment Conditions

In order to induce the Lender to sign this Agreement and to make available the Loan, the Borrower represents and warrants to the Lender that prior to or at the time of the signing of this Agreement the following has been satisfied:

(i) Corporate Actions

(a) The Borrower has furnished to the Lender

(A) up to date certified true copies of its and the Promoters' constitutional documents (memorandum of association and articles of association) including certificate of incorporation;



- (B) evidence of the corporate power, authority/ resolutions and required corporate action to enter into, and signature authority of the Person(s) executing the Financing Documents on its behalf;
 - (C) certified true copy of its shareholders' resolution under Section 293(1)(a) and Section 293(1)(d) of the Companies Act, 1956 authorizing creation of security and availing of the Loan;
 - (D) a certificate of the Auditor confirming that (i) the availing of the Loan will not cause any borrowing limit binding on the Borrower to be exceeded; (ii) providing the authorized, issued and paid up capital of the Borrower;
 - (E) a certificate of the Authorised Officer of (i) the Borrower certifying that the Borrower and its directors have the necessary powers under the constitutional documents (memorandum of association and articles of association) to borrow and enter into the various Financing Documents, that the borrowing under this Agreement will not cause any borrowing limit binding on the Borrower to be exceeded; and
 - (G) know your customer documents to the satisfaction of lender.
- (b) The Borrower shall have agreed to carry out such alterations to its memorandum of association and articles of association for suitably increasing its authorised equity capital, borrowing power as per the envisaged Financing Plan, if required and incorporate any other changes, if required, by the Lender.
- (ii) **Appointment of LLC**
LLC shall have been appointed on behalf of the Lender to undertake such scope of work as may be decided by the Lender. The Borrower shall have agreed to pay or arrange to make payments of all fees, expenses and other charges payable to LLC.
- (iv) **Up-front Fee**
The Borrower shall pay to the Lender non-refundable upfront fee of 0.10 % (zero point ten percent) (together with applicable taxes and cess, if any) on the Loan amount on or before the date this Agreement. The Borrower shall also pay the legal fee plus other charges as advised by the Lender.

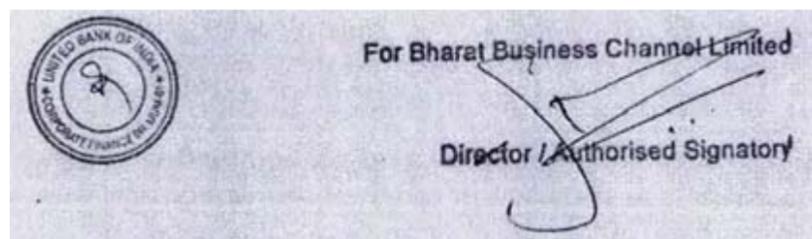
1.13 Terms of disbursement

The obligation of the Lender to make disbursements under this Agreement shall be subject to the Borrower performing all its obligations and undertakings under this Agreement besides compliance by the Borrower with the disbursement procedure stipulated by the Lender, including submission of necessary information, documents, margin/matching contribution, tenure of Loan etc. to the satisfaction of the Lender and compliance of the condition stipulated in Article 1.14 of this Agreement.

1.14 Disbursement Conditions

1.14.1 Conditions Precedent to 1st (first) Disbursement

The obligation of the Lender to make the 1st (first) disbursement under this Agreement shall be subject to the satisfaction or waiver or extension by the Lender of the following conditions in addition to the Borrower complying with the conditions specified in Article 1.14.2 of this Agreement and disbursement procedure as stipulated by the Lender.



For Bharat Business Channel Limited
Director / Authorised Signatory

a) Execution of Financing Documents

All the Financing Documents (other than documents which are to be executed at a later date in terms of this Agreement) in a form acceptable to the Lender shall have been duly executed by the Borrower and/ or the Promoters, as the case may be, and the same shall be in full force and effect.

b) Promoters' Undertaking

The Borrower shall have procured and furnished an undertaking duly and validly executed by the Promoters in a form and substance satisfactory to the Lender, agreeing and undertaking that the Promoters shall jointly and severally -

- (i) provide funds to the Borrower without any recourse to the Lender and/ or the assets of the Borrower, to meet any cost overrun in the envisaged Business Plan/ Financing Plan; and
- (ii) provide funds to the Borrower for funding the losses that may be incurred by the Borrower after the financial year ending 2014 onwards.

c) Approvals

The Borrower shall have applied for and received all approvals that are, in the opinion of the Lender, required to be obtained prior to the date of 1st (first) disbursement.

d) Wilful Defaulter

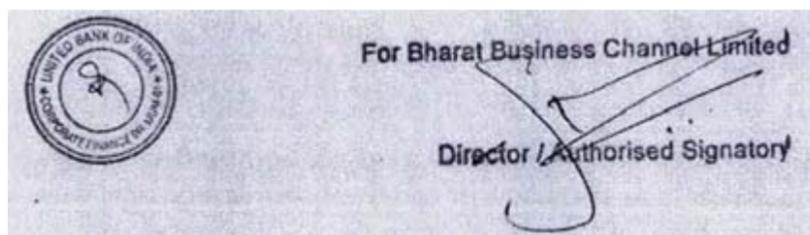
The Borrower shall, have removed its director(s), whose name(s) appear in willful defaulters list maintained by RBI or CIBIL and/ or any other authority from its Board and/ or get their names deleted from the list maintained by the aforesaid authorities.

e) Guarantees

The Borrower shall have procured from the guarantors, the guarantees in favour and for the benefit of the Lender as provided under Article 2. 1(v) of this Agreement.

1.14.2 Conditions Precedent to Subsequent Disbursements

The obligation of the Lender to make the 1st (first) disbursement and each of the subsequent disbursement shall, in addition to the compliance by the Borrower or waiver/ relaxation by the Lender of the conditions stipulated in Article 1.14.1 above and the disbursement procedure stipulated by the Lender, be also subject to the following conditions, namely -



- b) Events of Default**
The Borrower shall have delivered to the Lender a certificate issued by its Authorised Officer confirming that no Event of Default has occurred and is continuing under the Financing Documents and no Event of Default under the Financing Documents shall occur as a result of requested disbursement.
- c) Material Adverse Effect**
The Borrower shall have delivered to the Lender a certificate from its Authorised Officer certifying that no event has occurred which has or would be expected to have a Material Adverse Effect.
- d) Representations and Warranties**
The Borrower shall have delivered to the Lender a certificate issued by its Authorised Officer confirming that the representations, warranties and covenants made or deemed to be made pursuant to Article III of this Agreement or under other Financing Documents are true and correct in all material respects both before and after the disbursement is made.
- e) Litigation**
The Borrower shall have delivered to the Lender a certificate from its Authorised Officer certifying that no litigation is pending in India or in any other jurisdiction against the Borrower or its assets or regarding the effectiveness or validity of any of the Financing Documents or the Security except as disclosed in writing by the Borrower to the Lender on the date of signing of this Agreement which if determined adversely shall have a Material Adverse Effect.
- f) Certificate of Independent Chartered Accountant**
The Borrower shall have furnished to the Lender a certificate from its statutory' auditor or independent chartered accountant acceptable to the Lender certifying the expenditure incurred on the Purpose and the means of finance thereof, before each disbursement.
- g) Fees**
The Borrower shall have paid all fees, expenses and other charges then payable by it under the terms of the Financing Documents.



For Bharat Business Channel Limited
Director / Authorised Signatory

1.14.3 Conditions to be complied within specific time lines

a) No Objection Certificates

The Borrower shall have procured no objection certificates from its Existing Secured Lenders for creation of the security interest on the Borrower's assets for securing the loan within a period of 3 (three) months from the date of 1st (first) disbursement.

b) Security

The Rupee Term Loan, together with interest thereon, further interest, liquidated damages, costs, expenses and all other monies whatsoever, shall be secured by way of first pari passu charge on

- all movable/immovable asset of the company (both present as well as future) on pari passu charge with existing term lenders
- DSRA for 1 quarter debt service payment to be created latest by January 1, 2015.
- Assignment of DTH license, on pari passu basis with existing term lenders.
- First pari passu charge on the escrow account of the Company

Company to be allowed 3 months time from the date of first disbursement for availing NOC from the existing lenders and to perfect the security. Further the company is allowed another 3 months time for assignment of DTH license.

c) Credit Rating

The Borrower shall get all its borrowings rated by any one or more accredited rating agencies within a period of 6 (six) months from the date of 1st (first) disbursement in compliance with the Basel II norms.



For Bharat Business Channel Limited
Director / Authorised Signatory

ARTICLE II

SECURITY

2.1 Security for the Loan

The Rupee Term Loan, together with interest thereon, further interest, liquidated damages, costs, expenses and all other monies whatsoever, shall be secured by way of first pari passu charge on

- all movable/immovable asset of the company (both present as well as future) on pari passu charge with existing term lenders
- DSRA for 1 quarter debt service payment to be created latest by January 1, 2015.
- Assignment of DTH license, on pari passu basis with existing term lenders.
- First pari passu charge on the escrow account of the Company

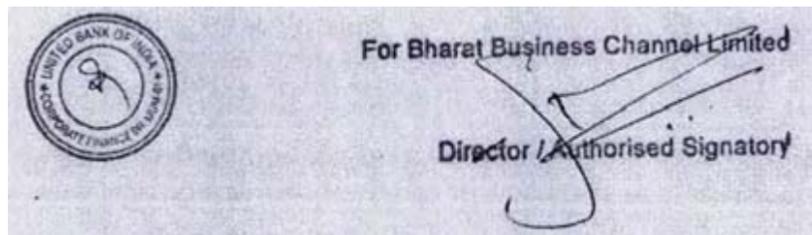
- an irrevocable, unconditional, joint and several guarantee from -
 - (a) Shri Venugopal Dhoot;
 - (b) Shri Pradeep Kumar N. Dhoot
 - (c) Solitaire Appliances Private Limited;
 - (d) Platinum Appliances Private Limited and
 - (e) Greenfield Appliances Private Limited.

No guarantee commission shall be payable by the Borrower to the guarantors.

Company to be allowed 3 months time from the date of first disbursement for availing NOC from the existing lenders and to perfect the security. Further the company is allowed another 3 months time for assignment of DTH license.

Provided the mortgages, charges and assignment referred to in Article 2.1(i) to (iii) above to be created for the benefit of the Lender shall in all respects rank pari passu with the mortgages, charges and assignment on the assets referred to in Article 2.1(i) to (iii) above created and/or to be created by the Borrower for securing the financial assistance granted by the Existing Secured Lenders (details of the Existing Secured Lenders are set out in **Schedule II** of this Agreement), without any preference or priority to one over the other.

Provided further the mortgages, charges, assignment and guarantees referred to in Article 2.1(i) to (v) above created/ to be created for the benefit of the Lender shall in all respects rank pari passu with the mortgages, charges, assignments and guarantees created and/or to be created by the Borrower and procured/ to be procured by the Borrower for the benefit of the other lenders providing the Total Loan to the Borrower, without any preference or priority to one over the other.



For Bharat Business Channel Limited
Director / Authorised Signatory

Provided that the -

- (i) guarantees stated at Article 2.1(v) above shall be procured for the benefit of the Lender prior to the date of 1st (first) disbursement of the Loan under this Agreement;
- (ii) mortgages and charges on the assets stated at Article 2.1(i) and (ii) above shall be created and perfected within a period of 3 (three) months from the date of 1st (first) disbursement;
- (iii) mortgages and charges on the assets stated at Article 2.1 (iii) above shall be created and perfected within a period of 6 (six) months from the date of 1st (first) disbursement; and
- (iv) mortgages and charges on the assets stated at Article 2.1 (iv) above shall be created and perfected on or prior to January 1, 2015.

(hereinafter collectively referred to as the “**Security**”)

- 2.2** The Borrower shall make out a good and marketable title to its properties to the satisfaction of the Lender and comply with all such formalities as may be necessary or required for the said purpose including obtaining consents from the existing charge holders.
- 2.3** So long as any monies remain due and outstanding to the Lender, the Borrower undertakes to notify the Lender in writing of all its acquisitions of immovable properties.
- 2.4** If, at any time during the subsistence of this Agreement, the Lender is of the opinion that the security provided by the Borrower has become inadequate to cover the balance of the Loan then outstanding, then, on the Lender advising the Borrower to that effect, the Borrower shall provide and furnish to the Lender, to its satisfaction such additional security as may be acceptable to the Lender to cover such deficiency.
- 2.5** The Borrower shall not, without prior consent of the Lender, till the Final Settlement Date, create in favour of any other person any charge(s) on the assets, which are charged/agreed to be charged for the benefit of the Lender pursuant to Section 2.1 hereof.
- 2.6** The Borrower shall have furnished, prior to creation of security as stated in Article 2.1 (i) to (iv), a certificate under Section 281(1) of the Income-tax Act, 1961 in respect of the creation of security, as applicable.



For Bharat Business Channel Limited
Director / Authorised Signatory

ARTICLE III

BORROWER'S WARRANTIES AND COVENANTS

3.1 Except to the extent already disclosed in writing by the Borrower to the Lender, the Borrower shall be deemed to have assured, confirmed and undertaken as follows:

(a) Conflict with Constitutional documents

Nothing in this Agreement conflicts with any provisions of the Borrower's constitutional documents

(b) No director who is on the board of a company declared as a willful defaulter

No director is on its Board who is also a director on the board of a willful defaulter

(c) Right to disclose the names and particulars of the Borrower and the credit facilities availed of / to be availed, by the Borrower.

- (i) The Lender shall have the right to disclose the information relating to the Borrower to Credit Information Bureau (India) Limited (CIBIL) or any other similar agency, which in turn shall have the right to use the information as authorized in this behalf by RBI.
- (i) The Lender shall have the right to disclose the information and data relating to the Borrower to other agencies in the business of credit.
- (ii) The Borrower hereby declares that the information and data furnished by the Borrower to the Lender are true and correct.

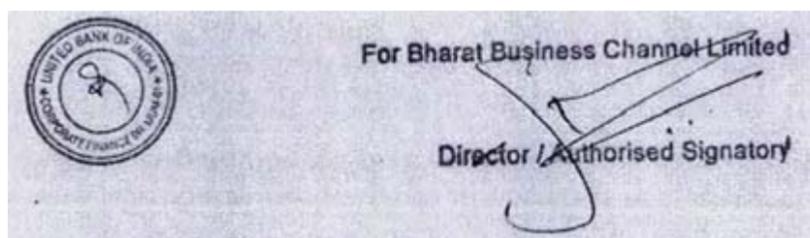
(d) Valid and Subsisting Licenses

- (i) The Borrower duly owns or holds valid and subsisting licenses in respect of all trade names, trade marks, patents, designs and other intellectual property used or intended to be used by the Borrower in the course of its business and the same are duly registered in the name of the Borrower and have not become voidable.
- (ii) The Borrower duly owns or holds all other material consents, licenses, franchises, permits and authorisations necessary for the lawful conduct, ownership and operation, of its business including DTH License, and the same are valid and subsisting and have not become voidable.

(e) No Claims and liabilities other than those disclosed

The Borrower does not have any claims or liabilities including, without limitations, provident fund or labour dues, income /corporate or other taxes, duties, levies or cesses, royalties, license fees, lease rentals, interest costs, penal levies, default rates, damages, claims, penalties etc. (whether present, future or contingent) which are not expressly disclosed either:

- (i) in the Borrower's last audited balance sheet furnished to the Lender; or
- (ii) otherwise to the Lender in writing as "off-balance sheet liabilities"; or
- (iii) in any other written communication to the Lender.



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(v) **Non-existence of event of default**

The Borrower shall satisfy the Lender that no Event of Default and no event which, with the lapse of time or giving of notice and lapse of time as specified in Article V, would become an Event of Default, has happened and been continuing.

(vi) **Project/ Purpose**

The Borrower shall,

(i) **Project/ Purpose changes**

Promptly notify the Lender of any proposed change in the nature or scope of the project / Purpose and of any event or condition, which might materially and adversely affect or delay completion of the project/ Purpose or result in substantial overrun in the original estimate of costs. Any proposed change in the nature or scope of the project/ Purposes shall not be implemented or funds committed therefore without the prior approval of the Lender;

(ii) **Contract change**

Obtain concurrence of the Lender to any material modification or cancellation of the Borrower's agreements with its machinery suppliers, collaborators, technical consultants and suppliers of raw materials;

(iii) **Delay in completing the project/ Purpose**

Promptly inform the Lender of the circumstances and conditions, which are likely to disable the Borrower from implementing the project/ Purpose, or which are likely to delay its completion or compel the Borrower to abandon the same.

(h) **Utilisation of the Loan**

The Borrower shall furnish to the Lender:

(a) Information and statements relating to its business, utilisation of the Loan, its assets and other information relating to the group/ subsidiaries as may be required from time to time, including duly audited annual account.

(b) The Loan shall not be utilised for any purpose other than for which it is sanctioned and, in particular (including but not limited to), it shall not be utilised for any of the following purposes:

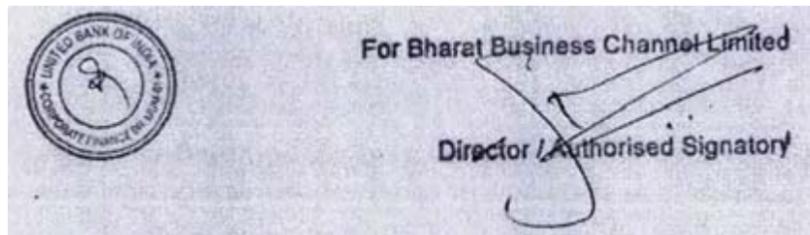
- i)i) subscription to or purchase of shares/debentures and investment in real estate;
- i)ii) repayment of dues of Promoters/associate concerns/inter-corporate deposits, etc;
- i)iii) for extending loans/facilities to subsidiary or associate companies or for making any inter-corporate deposits, and
- i)iv) for any other speculative purposes.

3.2 General covenants

A) Unless otherwise agreed to by the Lender, the Borrower shall,

(i) **Notice of winding up or other legal process**

Promptly inform the Lender regarding any litigation against the Borrower, any of its properties or business or undertaking or if a Receiver is appointed of any of its properties or business or undertaking;



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(ii) Adverse changes in profits and production

Promptly inform the Lender of the happening of any labour strikes, lockouts, shutdowns, fires or any event likely to have a substantial effect on the Borrower's profits or business and of any material changes in the rate of production or sales of the Borrower with an explanation of the reasons therefor;

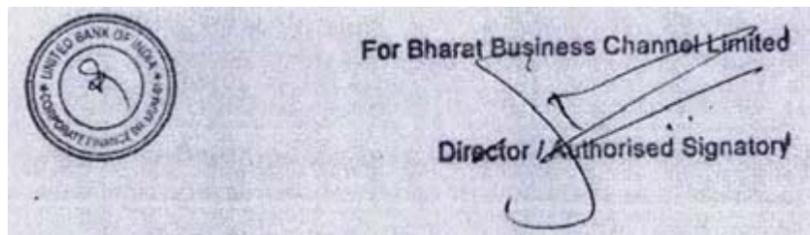
(iii) Insurance

- (a) keep all its assets adequately insured at all time and such of its other properties as are of an insurable nature against fire, theft, lightning, explosion, earthquake, riot, strike, civil commotion, storm, tempest, flood, marine risks, erection risks, war risks, and such other risks as may be specified by the Lender and shall duly pay all premia and other sums payable for that purpose. The insurance in respect of the properties charged/to be charged to the Lender shall be taken in the joint names of the Borrower and the Lender and any other person or institution having an insurable interest in the properties of the Borrower and acceptable to the Lender. The Borrower shall keep deposited with the Lender the copies of insurance policies and renewals thereof;
- (b) agree that, in the event of failure on the part of the Borrower to insure the assets or to pay the insurance premia or other sums referred to above, the Lender may get the assets insured or pay the insurance premia and other sums referred to above, as the case may be,
- (c) agree that the Lender shall have sole discretion to appropriate the proceeds, if any received from the insurance company in satisfaction of the Loan,
- (d) agree that it shall furnish certificate from an auditor, acceptable to the Lender, certifying the adequacy of insurance taken by,
- (e) agree that it shall inform the Lender of the happening of any of the events specified in sub clause (a) above and the loss or damage which the Borrower may suffer due to any of the aforesaid events for which the assets are insured.

(iv) Imposts, costs, charges and expenses

Until the Final Settlement Date bear all such impost, duties and taxes (including interest and other taxes, if any) as may be levied from time to time by the Government or other authority with the sanction of law pertaining to or in respect of the Loan,

- (a) pay all other costs, charges and expenses in any way incurred by the Lender (including costs of investigation of title and protection of Lender's interest) and such additional stamp duty, other duties, taxes, charges and other penalties if and when the Borrower is required to pay according to the laws for the time being in force in the State in which its properties are situated or otherwise;
- (b) agree that in the event of the Borrower failing to pay the monies referred to in sub-clause (a) the Lender will be at liberty (but shall not be obliged) to pay the same. The Borrower shall reimburse all sums paid by the Lender in accordance with the provisions contained in this Agreement.
 - (i) The Borrower shall reimburse all sums paid by the Lender under demand from the Lender. All such sums shall be debited to the Borrower's Loan Account and shall carry interest from the date of payment till such reimbursement at the maximum Applicable Lending Rate (in the case of rupee loans).



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(ii) In case of default in making such reimbursement within 30 days from the date of notice of demand, the Borrower shall also pay on the defaulted amounts, Liquidated Dam ages at the rate of 2% per annum from the expiry' of 30 days from the date of notice of demand till reimbursement.

(iii) The Borrower hereby authorise the Lender to debit its current account with the Lender to the extent of expenditure incurred under this Agreement.

(v) Annual accounts

Submit to the Lender its duly audited annual accounts within six months from the close of its accounting year. In case statutory audit (if required) is not likely to be completed during this period, the Borrower shall get its accounts audited by an independent firm of Chartered Accountants and furnish the same to the Lender;

(vi) Memorandum and Articles of Association

Carry out such alterations to its Memorandum and Articles of Association as may be deemed necessary in the opinion of the Lender to safeguard the interests of the Lender arising out of this Agreement;

(vii) Escrow Account

The Borrower shall enter into the Escrow Agreement to establish special purpose no-lien accounts viz. Escrow Account with the Escrow Bank and make firm arrangements (i) for prompt deposit of all proceeds of the Purpose as stated in the Financing Plan to the credit of the said Escrow Account and (ii) for transfer by the Escrow Bank of the proceeds of the Escrow Account into various sub-accounts in the manner and priority as may be specified/prescribed by the Lender.

B) Without the prior written approval of the Lender, the Borrower shall not,

(i) New project

Undertake any new project, diversification, modernisation or substantial expansion of the project described in this Agreement. The word "substantial" shall have the same meaning as under the Industries (Development and Regulation) Act, 1951.

(ii) Loans, debentures and charges

Issue any debentures, raise any loans, accept deposits from public, issue equity or preference capital, change its capital structure or create any charge on its assets (except as permitted by this Agreement) or give any guarantees. This provision shall not apply to normal trade guarantees or temporary loans and advances granted to staff or contractors or suppliers in the ordinary course of business or raising of unsecured loans, overdrafts, cash credit or other facilities from banks in the ordinary course of business.

(iii) Premature Repayment

Prepay any loan availed by it from any other party for the project without prior written approval of the Lender, which may be granted subject to such conditions as may be stipulated by the Lender.

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(iv) Commission

Pay any commission to its Promoters, guarantor, directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower for the purpose of the project.

(v) Subsidiaries

Create any subsidiary or permit any company to become its subsidiary.

(vi) Merger, Consolidation, Etc.

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(vii) Dividend

Declare or pay dividend to its shareholders so long as an Event of Default has occurred and is continuing and the Borrower is not in compliance with stipulated Financial Covenants. Further any dividend payment by the Borrower shall be done with a prior written approval of the Lender.

(viii) Investments by Borrower

Make any investments by way of deposits, loans or in share capital of any other concerns (including subsidiaries) beyond projected and accepted level by the Lender so long as any money remains due and payable to the Lender; the Borrower will however be free to deposit funds by way of security with third party in the normal course of business or if required for the business.

(ix) Revaluation of assets

Revalue its assets at any time until the Final Settlement Date.

(x) Subordination to the Loan

The Borrower agrees and undertakes that, the subordinate unsecured loan amounting to Rs. 225,00,00,000/- (rupees two hundred and twenty crores only) or other monies brought in by any Person as loans (except the loans advanced by the Existing Secured Lenders), shall:

- (a) be subordinated to the Loan;
- (b) not be repaid/redeemed till the Final Settlement Date;
- (c) not carry any interest till the Final Settlement Date; and



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(d) be without recourse to the Lender and the assets of the Borrower.

Provided however, the subordinate unsecured loan amounting to Rs.225,00,00,000/- (rupees two hundred and twenty crores only) may be withdrawn by infusion of equal amount of fresh capital by way of issue of initial public offering or private placement of shares by the Borrower.

(xi) Sale, Disposal and Removal of Assets

The Borrower shall not sell, dispose off, charged, encumbered or alienated, any land, building, structures or plant & machinery forming part of its assets, except in the ordinary course of business.

3.3 Management

a. The Borrower shall, as and when required by the Lender, appoint and change to the satisfaction of the Lender, the managing director, whole time director, suitable technical, financial and executive staff of proper qualifications and experience for the key posts. The terms of such appointments, including any changes therein, shall be subject to prior approval of the Lender.

b.(i) Lender shall have the right to appoint, whenever they consider necessary, any person, firm, company or association of persons engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and its factory and to report to the Lender. The Lender shall have the right to appoint, whenever they consider necessary, any Chartered Accountants/Cost Accountants as auditors for carrying out any specific assignment(s) or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or for conducting a special audit of the Borrower. The costs, charges and expenses including professional fees and travelling and other expenses of such consultants or auditors shall be payable by the Borrower.

(ii) The Borrower shall constitute such committees of the Board with such composition and functions as may be required by the Lender for close monitoring of different aspects of its working.

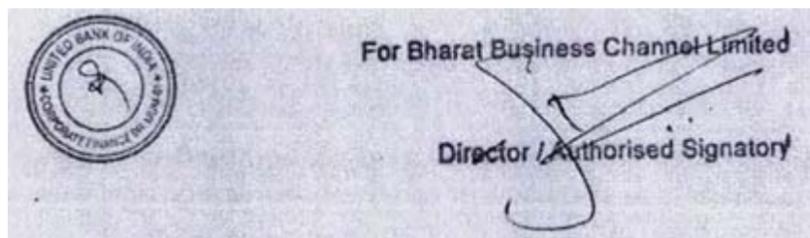
3.4 Nominee Director

(i) The Lender shall have the right to appoint and remove from time to time, a Director on Board of Directors of the Borrower.

(ii) The Nominee Director shall not be required to hold qualification shares and not be liable to retire by rotation.

(iii) The Nominee Director shall be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors but if any other fees, commission, monies or remuneration in any form is payable to the directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall accrue to the Lender and the same shall accordingly be paid by the Borrower directly to the Lender.

Provided that if any such Nominee Director is an officer of the Lender, the sitting fees in relation to such Nominee Director shall also accrue to the Lender and the same shall according be paid by the Borrower directly to the Lender.



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Any expenditure incurred by the Lender or the Nominee Director in connection with his appointment or directorship shall be borne by the Borrower.

- (iv) The Nominee Director shall be appointed a Member of the Management Committee or other committees of the Board, if so desired by the Lender.
- (v) The Nominee Director shall be entitled to receive all notices, agenda and minutes, etc. and to attend all General Meetings and Board Meetings and meetings of any committees of the Board of which he is a member.
- (vi) If, at any time, the Nominee Director is not able to attend a meeting of the Board of Directors or any of its committees, of which he is a member, the Lender may depute an observer to attend the meeting. The expenses incurred by the Lender in this connection shall be borne by the Borrower.

3.5 Financial Covenants

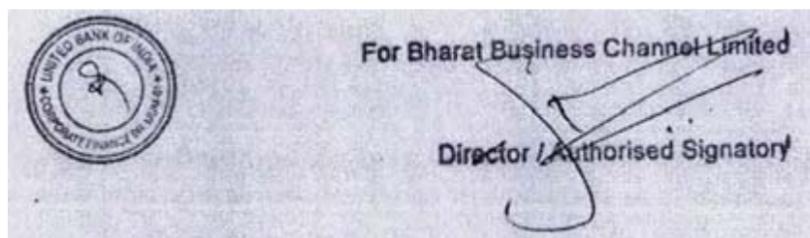
The Borrower agrees to maintain the Financial Covenants at all times till the Final Settlement Date

The Borrower agrees and acknowledges that the Financial Covenants as above shall be calculated annually with reference to the audited financial statements of the Borrower. The first testing of compliance with Financial Covenants shall be done for the financial year 2015 and thereafter, for every financial year till the Final Settlement Date.

The Borrower shall submit to the Lender a compliance certificate from its statutory auditor for each financial year within a period of 6 (six) months from the end of such Financial Year, clearly stating that the Borrower is in compliance with the Financial Covenants as per the audited financial statements.

6.6 Credit Rating

The Borrower shall get all its borrowings rated by any one or more accredited rating agencies within a period of 6 (six) months from the date of 1st (first) disbursement in compliance with the Basel II norms. The Borrower shall thereafter obtain credit ratings for all its borrowings at least at annual intervals and produce satisfactory evidence to the Lender in that regard.



ARTICLE IV

REPORTS AND INSPECTION

4.1 Auditor's certificate

- (i) At the request of the Lender, caused an investigation conducted by its statutory auditors to ascertain whether there had been any diversion / siphoning of funds by the Borrower. The cost of the investigation shall be borne by the Borrower.
- (ii) Notwithstanding anything contained in hereinabove, the Borrower agrees that the Lender may give instructions to its statutory auditors to carry out the investigation as to whether there was any incidence of diversion / siphoning of funds by the Borrower. The cost of the investigation to be borne by the Borrower.

4.2 Reports

- (i) The Borrower shall furnish to the Lender project completion certificate from the statutory auditor/ Lender's' engineer and such other reports as may be required by them.
- (ii) The Borrower shall maintain fixed assets register as required by law from time to time and shall furnish to the Lender the extract of the fixed asset register within one month after implementation of the project and thereafter as on March 31st of each year until the Final Settlement Date.

4.3 Expenditure records: Inspection

- The Borrower shall,
- i) Maintain records showing expenditure incurred, utilisation of the disbursements out of the Loan the operations and financial condition of the Borrower and such records shall be open to examination by the Lender, and their authorised representatives.
 - ii) Allow the authorised representatives or nominees of the Lender including any auditor or technically qualified person to inspect the assets purchased out of the Loan and will give all facilities to enable such persons to report thereon.
 - iii) The cost of inspection, including travelling and all other expenses, shall be payable by the Borrower to the Lender in this behalf.

- 4.4 The Borrower agrees and undertake to inform the Lender about the term and conditions of the initial public offering of Rs.700,00,00,000/- (Rupees seven hundred crores only) approved by SEBI, within 7 days from the date of approval by SEBI of the terms and conditions of the said initial public offering.



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ARTICLE V

EVENTS OF DEFAULTS AND CONSEQUENCES

- 5.1** If one or more of the events specified in this section happen(s), the Lender may by a notice in writing to the Borrower, declare the principal of and all accrued interest on the Loan to be due and payable forthwith and the security created in terms of this Agreement shall become enforceable.
- (a) Default in payment of principal sum of the Loan**
Default has occurred in the payment of principal sum of the Loan on the due dates.
- (b) Default in payment of interest**
Default has been committed by the Borrower in payment of any installment of interest on the Loan and such default has continued for a period of thirty days.
- (c) Default in performance of covenants and conditions**
Default has occurred in the performance of any representation, warranty, other covenant condition or agreement on the part of the Borrower under this Agreement or any other agreement and such default has continued for a period of thirty days after notice in writing thereof has been given to the Borrower by the Lender.
- (d) Inability to pay debts**
The Borrower is unable to pay its debts or proceedings for taking it into liquidation, either voluntarily or compulsorily, may be or have been commenced.
- (e) Attachment or distraint on charged assets**
If an attachment or distraint has been levied on the assets or any part thereof hypothecated/mortgaged to the Lender or certificate proceedings have been taken or commenced for recovery of any dues from the Borrower.
- (f) Appointment of receiver or liquidator**
A receiver or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Borrower.
- (g) Sale, disposal and removal of assets**
If, without the prior approval of the Lender, any land, buildings, structures or plant and machinery of the Borrower are sold, disposed of, charged, encumbered or alienated or the said buildings, structures, machinery, plant or other equipment are removed, pulled down or demolished.
- (h) Submission of misleading information**
Any information given by the Borrower in its application for Loan, in the report and other information furnished by the Borrower in accordance with the Reporting System and the warranties given / deemed to have been given by the Borrower to the Lender is misleading or incorrect in any material respect.
- (i) Cross defaults and cross acceleration**
- (i)** The Borrower's failure to pay any amount more than Rs.5,00,00,000/- (rupees five crores only) when due to any person other than the Lender or an event of default being constituted in relation to any of the Borrower's credit, borrowing or any other arrangement with any person other than the Lender.



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(ii) Any person other than the Lender accelerating repayment (i.e demanding repayment ahead of the previously agreed repayment schedule) due from the Borrower to such other person under the Borrower's credit, borrowing or any other arrangement with that person.

5.2 If an Event of Default has taken place then the Lender shall have the right to publish the information in the manner it may consider appropriate.

5.3 Notice to the Lender on the happening of an event of default

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Borrower shall, forthwith give notice thereof to the Lender in writing specifying the nature of such Event of Default, or of such event.

5.4 Expenses of preservation of assets of Borrower and of collection

All expenses incurred by the Lender after an Event of Default has occurred in connection with -
(a) preservation and protection of the Borrower's assets (whether then or thereafter existing); and
(b) collection of amounts due under this Agreement; shall be payable by the Borrower.

5.5 Consequences of Event of Default

If one or more of the aforesaid Events of Default shall occur thereupon and in every such event and anytime thereafter, the Lender shall have the right to terminate the Loan and accelerate the obligations of the Borrower and in exercise of such rights, the Lender may, without prejudice to any rights that it may have, take one or more of the following actions including but not limited to:

- (i) declare that all the outstanding principal amount, interest and other monies due and payable by the Borrower hereunder shall forthwith become due and payable, whereupon such amounts shall become forthwith due and payable without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived, anything contained herein to the contrary notwithstanding;
- (ii) exercise any and all rights specified in the Security Documents including, enforce all of the security created pursuant to the Security Documents;
- (iii) exercise such other remedies as permitted or available under applicable law;
- (iv) enter upon and take possession of the assets of the Borrower; transfer the assets of the Borrower by way of lease or leave and license or sale to any Person;
- (v) instruct any Person, who is liable to make any payment to the Borrower, to pay directly to the Lender;
- (vi) review the management set-up and/ or organisation of the Borrower by appointing any independent/ concurrent auditor/ consultants and require the Borrower to restructure it as may be considered necessary by the Lender, including the information of management committees with such powers and functions as may be considered suitable by the Lender, if in the opinion of the Lender, the business of the Borrower is conducted in a manner opposed to public policy or in a manner prejudicial to the Lender's interests;



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5.6 Other Consequences of Event of Default

(a) Right to appoint whole time director / nominee director

Upon the occurrence of an Event of Default the Lender has the right to appoint and remove from time to time Whole -time Director(s) /Nominee Director (s) on the Board of Directors of the Borrower. Such Whole -time Director(s) /Nominee Director (s) shall exercise such powers and duties as may be approved by the Lender and have such rights as are usually exercised by or are available to a Whole -time Director/Nominee Director (s) in the management of the affairs of the Borrower. Such Whole -time Director (s) /Nominee Director (s) shall not be required to hold qualification shares nor liable to retire by rotation and shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Lender. Such Whole -time Director(s) /Nominee Director (s) shall have the right to receive notices of and attend all general meetings and board meetings or any committee of the Borrower of which they are members.

Any expenses that may be incurred by the Lender or such Whole -time Directors)/ Nominee Director (s) in connection with their appointment or directorship shall be paid or reimbursed by the Borrower to the Lender or as the case may be, to such Whole -time Director(s) /Nominee Directors).

(b) Conversion right

If the Borrower continues to be in default for a period of thirty (30) days or more from due date of installments of principal amounts of the Loan or interest thereon or any combination thereof, then, the Lender shall have the right to convert (which right is hereinafter referred to as "the conversion right") at their option the whole or part of the outstanding amount of the Loan into fully paid-up equity shares of the Borrower, at par in the manner specified in a notice in writing to be given by the Lender to the Borrower (which notice is hereinafter referred to as the "notice of conversion") prior to the date on which the conversion is to take effect, which date shall be specified in the said notice (hereinafter referred to as the "date of conversion").

- (i) On receipt of notice of conversion, the Borrower shall allot and issue the requisite number of fully paid-up equity shares to the Lender as from the date of conversion and the Lender shall accept the same in satisfaction of the principal amount of the Loan to the extent so converted. The part of the Loan so converted shall cease to carry interest as from the date of conversion and the Loan shall stand correspondingly reduced. Upon such conversion, the installments of the Loan payable after the date of conversion as per the Amortization Schedule in this Agreement shall stand reduced proportionately by the amounts of the Loan so converted. The equity shares so allotted and issued to the Lender shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Borrower. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Borrower in all respects.
- ii) The conversion right reserved as aforesaid may be exercised by the Lender on one or more occasions until the Final Settlement Date.



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- iii) The Borrower assures and undertakes that in the event of the Lender exercising the right of conversion as aforesaid, the Borrower shall get the equity shares which will be issued to the Lender as a result of the conversion, listed with the Stock Exchange(s) at Mumbai and such other places as may be notified by the Lender to the Borrower.

For the purposes of this clause it shall not be construed as a default, if the Borrower approaches the Lender well in advance for postponement of principal or interest, as the case may be, and the Lender agree to the same.

Explanation: the term "outstanding" shall mean the principal amount of the Loan, interest and other monies payable thereon as at the time when the amounts are sought to be converted into equity shares of the Borrower.



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ARTICLE VI

MISCELLANEOUS.

6.1 Cancellation by notice to the Borrower

The Lender may, by notice in writing to the Borrower, cancel the Loan or any part thereof, which the Borrower has not withdrawn prior to the giving of such notice.

6.2 Suspension

Further access by the Borrower to the use of the Loan may be suspended or terminated by the Lender:

- i) Upon failure by the Borrower to carry out all or any of the terms of this Agreement or on the happening of any Event of Default as provided in this Agreement.
- ii) If any extra-ordinary situation makes it improbable that the Borrower would be able to perform its obligations under this Agreement.
- iii) If any change in the Borrower's set-up has taken place which, in the opinion of the Lender (which shall be final and binding the Borrower), would adversely affect the conduct of the Borrower's business or the financial position or the efficiency of the Borrower's management or personnel or carrying on its activities.

3.3. Suspension to continue till default remedied

The right of the Borrower to make withdrawals from the Loan shall continue to be suspended until the Lender has notified the Borrower that the right to make withdrawals has been restored.

4.4. Termination

If any of the events described above and elsewhere in this Agreement has been continuing or if the right of the Borrower to make withdrawals from the Loan shall have been suspended with respect to any amount of the Loan for a continuous period of thirty days or if the Borrower has not withdrawn the Loan by the date referred to herein or such later date as may be agreed to by the Lender then, in such event, the Lender may by notice in writing to the Borrower, terminate the right of the Borrower to make withdrawals. Upon such notice, the undrawn amount of the Loan shall stand cancelled. Notwithstanding any cancellation, suspension or termination pursuant to the aforesaid provisions, all the provisions of this Agreement shall continue to be in full force and effect as herein specifically provided.

4.5. Provisions relating to waiver

No delay in exercising or omission to exercise any right, power or remedy accruing to the Lender upon any default under this Agreement, security documents or any other agreement or document shall impair any such right, power or remedy or shall be construed to be a waiver thereof or any acquiescence in such default, nor shall the action or inaction of the Lender in respect of any default or any acquiescence by the Lender in any default, affect or impair any of its right, power or remedy in respect of any other default.



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4.6. Evidence and calculations

(a) Accounts

In any legal action or proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained by the Lender shall be conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded.

(b) Statement of accounts

Any certification or determination by the Lender of a rate of interest or amount under this Agreement is conclusive evidence of the matters to which it relates.

4.7. Effective date of Agreement

This Agreement shall become binding on the Borrower and the Lender on and from the date first above written. It shall be in force till all monies due and payable and disbursed from time to time under this Agreement are fully paid off.

8.8. Assignments etc.

(a) The Borrower shall have no right of assignment under this Agreement without the prior approval of the Lender.

(b) The Lender may securitise, assign, transfer or novate any of its rights and obligations under this Agreement, and or under the loan/security documents and the Borrower shall take such action as may be necessary to perfect such transaction.

6.9 Service of notice

Any notice or request to be given or made to the Lender or to the Borrower or to any other party shall be in writing. Such notice or request shall be deemed to have been given or made when it is delivered by hand or despatched by mail, e-mail, or fax, or overnight courier to the party to which it is required to be given or made at such party's designated address.



For Bharat Business Channel Limited
Director / Authorised Signatory

ARTICLE VII

DEFINITIONS AND INTERPRETATION

7.1 DEFINITIONS

“**Additional Interests**” shall mean collectively the Additional Interest for Non - Creation of Security and Additional Interest for Non-Adherence of Financial Covenant.

“**Agreement**” shall mean this loan agreement together with all recitals and schedules, attached to this Agreement and shall include any amendment to this Agreement made by the Parties from time to time after the date hereof.

“**Amortization Schedule**” shall mean the schedule of repayment of the Loan set forth in **Schedule I** of this Agreement as amended by the Lender.

“**Applicable Interest Rate**” shall mean at any relevant time, and in relation to the Loan, the interest rate as set out below, including the interest rate as revised pursuant to the reset of the Spread as per Article 1.3 (ii) of this Agreement -

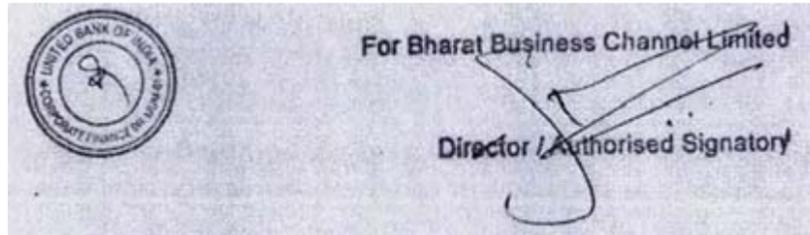
		APPLICABLE INTEREST RATE
United Bank of India	of	Applicable Interest Rate shall be floating at a Spread of 275 basis points above the Bank's Base Rate. The present Bank's Base Rate is 10.25 %. The interest as above, shall be payable by the borrower in arrears, on the 1 st of each month. The proposed rate of UBI shall not be lower than any other lenders, if any lenders charge the higher rate, the same shall be applicable to UBI also.

“**Authorised Officer**” shall mean with respect to any person, any officer of such person that is authorized to sign on behalf of such person and at the time being listed as such by the comp any secretary of such person in the most recent certificate of such company secretary delivered to the Lender.

“**Business Plan**” shall mean 3 year business plan financing of Rs.2411 crore, to be financed by way of: Rupee Term Loan (RTL) of Rs.1200 crore (Rs.750 crore in FY 2013, Rs.400 crore in FY 2014 and Rs.50 crore in FY 2015), Rs.630 crore in the form of equity capital through IPO and Rs.581 crore in the form of, internal accruals & decrease in net current assets.

“**Contributed Equity**” shall mean equity share capital (including share premium) and unsecured loan from promoters.

“**DTH License**” shall mean DTH License agreement dated December 28, 2007, executed between our Company and the President of India acting through the Director, Broadcasting, Policy & Legislation, Ministry of Information and Broadcasting, Government of India, to provide DTH services.



For Bharat Business Channel Limited
Director / Authorised Signatory

“Debt Service Reserve” or “DSR” shall mean the reserve equivalent to ensuing 1 (one) quarter of debt service payment be created and maintained by the Borrower.

“Debt Service Reserve Account” or “DSRA” shall have the meaning ascribed to it Under the Escrow Agreement.

“Escrow Account” shall mean an escrow account established in terms of and under the Escrow Agreement and shall include the sub-accounts.

“Escrow Agreement” shall mean the escrow agreement entered/ to be entered into among, inter alia, the Borrower and the Lender on or about the date of this Agreement, as may be amended and supplemented from time to time.

“Escrow Bank” shall mean any bank appointed by the Lender in writing for operating and maintain the Escrow Account.

“Events of Default” shall mean all or any of the events specified in Article 5.1 of this Agreement.

“Existing Secured Lenders” shall mean all the existing secured lenders of the Borrower as listed in **Schedule II** of this Agreement.

“Financial Covenant” shall mean -

- (i) Total Debt to Contributed Equity shall not be more than 2 (two); and
- (ii) Fixed Asset Coverage Ratio not less than 1.25 (one point twenty five).

“Financing Documents” shall mean, as the context may require or admit, any or all of the following documents, as may be amended from time to time, namely-

- (i) this Agreement;
- (ii) the Security Documents; and
- (iii) any other document designated as the Financing Documents by the Lender.

“Financing Plan” shall mean the 3 (three) year Business Plan financing of Rs.2410,69,00,000/- (rupees two thousand four hundred and ten crores and sixty nine lakhs only) to be financed as under –

Source of fund	Amount (Rs. in Crores)
Rupee Term Loans	
(i) FY 2013	750
(ii) FY 2014	400
(iii) FY 2015	50
(A) Total Rupee Term Loans (i + ii + iii)	1200
(B) Equity Capital Through IPO	630
(C) Internal Accruals and Decrease in Net Current Assets	580.69
TOTAL (A+B+C)	2410.69

 For Bharat Business Channel Limited
Director / Authorised Signatory

“Final Settlement Date” shall mean the date on which all the monies due under the Financing Documents shall have been irrevocably and unconditionally paid, performed and discharged in full to the satisfaction of the Lender.

“Fixed Asset Coverage Ratio” shall mean Net Fixed Assets divided by Secured Term Loan.

“Greenfield Appliances Private Limited” shall mean a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its Company identification No. U32204MH197PTC021984 and Registered Office at 2275, Adate Bazar, Ahmednagar - 414001.

“IDBI Base Rate” shall mean the rate of interest per annum as determined, from time to time by IDBI Bank Limited, whether known as base rate or any other nomenclature for the same as applicable to rupee loans and such rate shall be fully floating for the tenor of the Loan.

“Interest Payment Date” shall mean at any time, the 1st (first) day of each month on which the Borrower is required to pay interest at the Applicable Interest Rate on the Loans as per this Agreement.

“Interest Period” shall mean (i) in the first instance, the period commencing from the date of disbursement of the Loan under this Agreement and ending on and including the next Interest Payment Date; and (ii) subsequently, each period commencing from and excluding one Interest Payment Date and ending on (and including) the next Interest Payment Date.

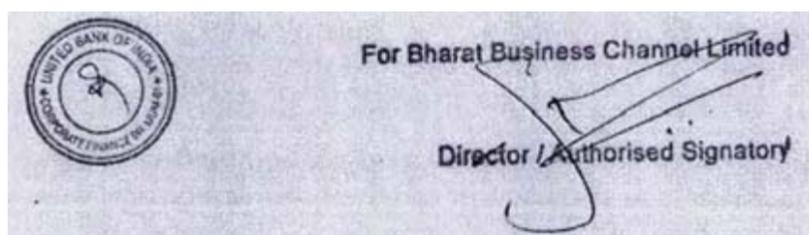
“Loan” shall have the meaning ascribed to it under Article 1.2(a) of this Agreement.

“Lenders’ Legal Counsel” or **“LLC”** shall mean M/s Link Legal - India Law Services, or any replacement therefor, as may be selected and appointed by the Lender.

“Material Adverse Effect” shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on: (i) the financial condition, business or operation of the Borrower; (ii) the ability of the Borrower to perform its obligations under the Financing Documents; (iii) the ability of the Borrower to comply in all respects with the terms or conditions of any of the approvals; and (iv) the legality, validity or enforceability of any of the Financing Documents, (including the ability of any Lender to enforce any of its remedies under the Financing Documents), the other agreements/ contracts to which it is a party or the approvals.

“Nominee Director” shall mean the nominee director appointed by the Lender pursuant to Article 3.4 of this Agreement.

“Permitted Investments” shall mean any of the investments mentioned below made with the prior approval of the Lender – Government of India securities;



For Bharat Business Channel Limited
Director / Authorised Signatory

- (ii) Rupee negotiable certificates of deposit, debt instruments or similar instruments denominated in Rupees, which is for the time being rated at least AAA or equivalent short term money market ratings by either of CRISIL or CARE or FITCH or ICRA or any other reputed rating agency;
- (iii) Interest bearing deposits with the Lender;
- (iv) Money market mutual funds rated at least AAA or equivalent money market ratings by either of CRISIL or CARE or FITCH or ICRA or any other reputed rating agency;
- (v) Commercial paper (rated at least P-1 + or its equivalent thereof by either of CRISIL or CARE or FITCH or ICRA or any other reputed rating agency); and
- (vi) Any other investment that may be permitted by the Lender in writing.

“Promoters” shall mean (a) Solitaire Appliances Private Limited; (d) Platinum Appliances Private Limited; and (e) Greenfield Appliances Private Limited.

“Purpose” shall mean the purpose of meeting the funding requirements during the Business Plan period viz. solely towards creation of assets including -

- (i) Subscriber acquisition cost viz. the cost of consumer premises equipment (“CPE”) (consisting of set top box, outdoor unit and smart card)
- (ii) Cost of CPE inventory build-up; and
- (iii) Other general capital expenditure.

“Platinum Appliances Private Limited” shall mean a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its Company Identification No. U32109MH1979 PTC021997 and Registered Office at 2275, Adate Bazar, Ahmednagar - 414001.

“Rupees” and the sign of “₹” shall mean the lawful currency of India.

“Security” shall have the meaning ascribed to it under Article 2.1 of this Agreement.

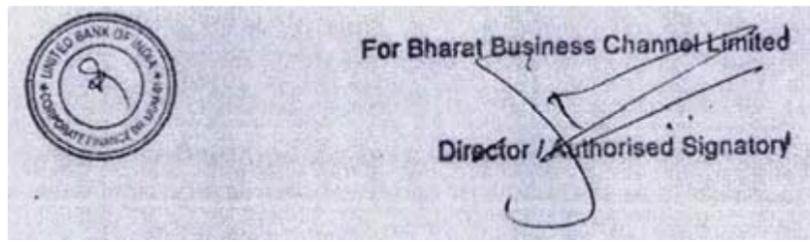
“Security Documents” shall mean, as the context may require or admit, any or all of the following documents, as may be amended from time to time, namely-

- (i) guarantees to be provided by the (a) Shri Venugopal Dhoot; (b) Shri Pradcep Kumar N. Dhoot (c) Solitaire Appliances Private Limited; (d) Platinum Appliances Private Limited and (e) Greenfield Appliances Private Limited;
- (ii) the deed of hypothecation;
- (iii) any document executed or obtained in favour of/ for the benefit of the Lender for creation of/ perfection of/ maintaining the Security; and
- (iv) any other document designated as such by the Lender.

“Solitaire Appliances Private Limited” shall mean a company within the meaning of the Companies Act, 1956 (1 of 1956) and having its Company Identification No. U32204MH1979P TC021985 and Registered Office at 2275, Adate Bazar, Ahmednagar - 414001..

“Spread” shall mean the margin over and above the IDBI Base Rate to derive at the Applicable Interest Rate as may be notified by the IDBI Bank Limited.

“Total Loan” shall mean the rupee term loans aggregating Rs. 1200,00,00,000/- (rupees twelve hundred crores only) agreed to be provided by the lenders to the Borrower to part finance the Purpose.



The image shows a circular stamp on the left with the text "UNITED BANK OF INDIA" and "FOR BHARAT BUSINESS CHANNEL LIMITED" around the perimeter. To the right of the stamp, there is a handwritten signature in black ink. Below the signature, the text "For Bharat Business Channel Limited" and "Director / Authorised Signatory" is printed in a bold, sans-serif font.

“Total Debt” shall mean Secured Term Loan from various Banks and Financial Institutions.

[Note LL-ILS: Lender to provided]

7.2 INTERPRETATION

In this Agreement unless the context otherwise requires:

- i) the singular includes the plural and *vice versa*;
- ii) headings and the use of bold typeface shall be ignored in its construction;
- iii) a reference to a Section or Article or Schedule is, unless indicated to the contrary, a reference to a section/ article in, or schedule to, this Agreement;
- iv) references to this Agreement shall be construed as references also to any separate or independent stipulation or agreement contained in it;
- v) the words “other”, “or otherwise” and “whatsoever” shall not be construed *ejusdem generis* or as any limitation upon the generality of any preceding words or matters specifically referred to;
- vi) references to the word “includes” or “including” are to be construed without limitation;
- vii) references to a Party or a Person shall include their respective successors, assigns or transferees (to the extent assignment or transfer is permitted under the relevant agreement);
- viii) all references to agreements, documents or other instruments include a reference to that agreement, document or instrument as amended, supplemented, substituted, novated or assigned from time to time;
- ix) the words “herein”, “hereto” and “hereunder” refer to this Agreement as a whole and not to the particular section in which such word may be used;
- x) words importing a particular gender shall include all genders;
- xi) references to any law shall include references to such law as it may, after the date of this Agreement, from time to time be amended, supplemented or re-enacted;
- xii) unless the reference to month is for specifying a period, all references to “month” shall mean English calendar month provided that wherever the reference to the expression “month” is used in the context of period, it shall mean a period of 30 (thirty) days. All references to quarter shall mean a period of 3 (three) months commencing on 1st January, 1st April, 1st July and 1st October, provided that for repayment of the Loans, the period of quarter shall be construed as per the Amortization Schedule;
- xiii) the currency of money shall be Indian Rupee;
- xiv) all consents, approvals, permissions, waivers, relaxations or extensions required to be given by the Lender shall be given by the Lender in writing; and
- xv) in the event of any disagreement or dispute between the Lender and the Borrower regarding the materiality of any matter including of any event, occurrence, circumstance, charge, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of the Lender as to materiality of any of the forgoing shall be final and binding on the Borrower.



For Bharat Business Channel Limited
Director / Authorised Signatory

**SCHEDULE I
(AMORTISATION SCHEDULE)**

The company shall repay the principal amount of the Loan in 24 (twenty four) unequal quarterly installments commencing after 2¼ years from the date of 1st (first) disbursement (tentatively April 1, 2015) as under:

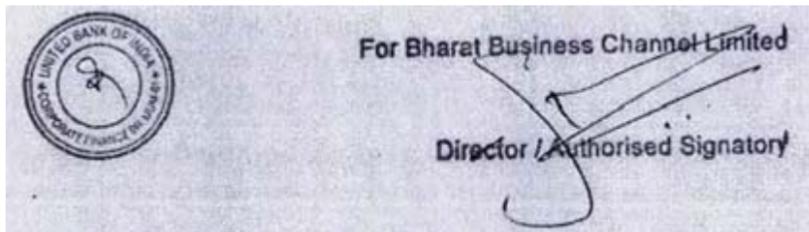
Year	Amt. out of total loan to be repaid during the year	No. of quarterly instalments
2015-16	5.00%	4
2016-17	7.50%	4
2017-18	15.00%	4
2018-19	20.00%	4
2019-20	25.00%	4
2020-21	27.50%	4
Total	100%	24

 For Bharat Business Channel Limited
Director / Authorised Signatory

SCHEDULE II

PARTICULARS OF THE EXISTING SECURED LENDERS

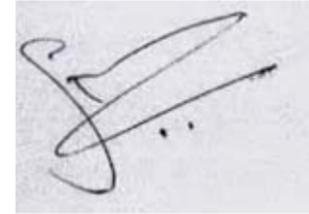
- (a) Central Bank of India for their rupee term loan of Rs.350 Crore;
- (b) IDBI Bank Term Loan of Rs.360 crore
- (c) Bank of Baroda (RTL of Rs.100 crore)
- (d) Oriental Bank of Commerce (RTL of Rs.100 crore)
- (e) Bank of India (RTL of Rs.50 crore)
- (f) ICICI Bank Ltd (RTL of Rs.300 crore)
- (g) Karur Vyasya Bank Ltd. (RTL of Rs.50 crore)
- (h) Canara Bank (RTL of Rs.200 crore)
- (i) Syndicate Bank (RTL of Rs.100 crore)
- (j) Jammu & Kashmir Bank (RTL of Rs.100 crore)
- (k) Dena Bank (RTL of Rs.100 crore)



IN WITNESS WHEREOF the Borrower has caused its Common Seal to be affixed hereto and to a duplicate hereof on the day, month and year first hereinabove written and the Lender has caused the same and the said duplicate to be executed by the hand of Shri. S.Murukan – Authorised Signatory and POA Holder authorised official of the Lender as hereinafter appearing.

THE COMMON SEAL OF BHARAT BUSINESS CHANNEL LIMITED has (pursuant to the Resolution of its Board of Directors passed in that behalf on the 11th Day of May, 2013 hereunto been affixed in the presence of Shri S. Murukan, Authorised Signatory and POA Holder.

For Bharat Business Channel Limited
Director / Authorised Signatory



SIGNED AND DELIVERED BY the withinnamed Lender by the hand of Shri Anupom Saha, an authorised official of the Lender.

युनाइटेड बैंक ऑफ इंडिया के लिये
For UNITED BANK OF INDIA
कंपनी वित्त शाखा, मुंबई-०२
Corporate Finance Branch, Mumbai
आधिकृत हस्ताक्षरकर्ता
Authorised Signatory

[\(Back To Top\)](#)

Section 21: EX-10.15 (EXHIBIT 10.15)

Exhibit 10.15

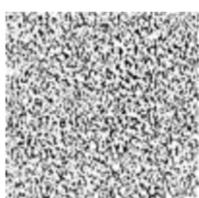


INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

Certificate No.	:	IN-DL11605771197837L
Certificate Issued Date	:	07-May-2013 08:57 AM
Account Reference	:	IMPACC (IV)/ d1736003/ DELHI/ DL-DLH
Unique Doc. Reference	:	SUBIN-DL73600322562119484486L
Purchased by	:	BHARAT BUSINESS CHANNEL LTD
Description of Document	:	Article 5 General Agreement
Properly Description	:	NA
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	BHARAT BUSINESS CHANNEL LTD
Second Party	:	NA
Stamp Duly Paid By	:	BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.)	:	100 (One Hundred only)



[ILLEGIBLE]



INDIA NON JUDICIAL
Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : **IN-DL11605749494714L**

Certificate Issued Date : 07-May-2013 08:57 AM

Account Reference : IMPACC (IV)/ d1736003/ DELHI/ DL-DLH

Unique Doc. Reference : SUBIN-DL73600322562167691236L

Purchased by : BHARAT BUSINESS CHANNEL LTD

Description of Document : Article 5 General Agreement

Property Description : NA

Consideration Price (Rs.) : 0
(Zero)

First Party : BHARAT BUSINESS CHANNEL LTD

Second Party : NA

Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD

Stamp Duty Amount(Rs.) : 100
(One Hundred only)



[ILLEGIBLE]



INDIA NON JUDICIAL
Government of National Capital Territory of Delhi

e-Stamp

Certificate No. : **IN-DL11605817908063L**

Certificate Issued Date : 07-May-2013 08:58 AM

Account Reference : IMPACC (IV)/ d1736003/ DELHI/ DL-DLH

Unique Doc. Reference : SUBIN-DL73600322562091283416L

Purchased by : BHARAT BUSINESS CHANNEL LTD

Description of Document : Article 5 General Agreement

Property Description : NA

Consideration Price (Rs.) : 0
(Zero)

First Party : BHARAT BUSINESS CHANNEL LTD

Second Party : NA

Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD

Stamp Duty Amount(Rs.) : 100
(One Hundred only)



[ILLEGIBLE]

AGREEMENT FOR TERM LOAN

(To be stamped as an Agreement and not to be attested)

THIS Agreement is made at New Delhi this 13th day of May 2013

BETWEEN

M/s. Bharat Business Channel Limited, a public limited company incorporated under the Companies Act 1956 having its registered office at Auto Cars Compound, Adalat Road, Aurangabad-431 005. Maharashtra State and Corporate Office at 1st Floor, Techweb Centre, New Link Road, Near Mega Mall Oshiwara, Mumbai-400 102.

Hereinafter referred to as the Borrower/s (Which expression shall include his/her/theirs/its heirs, executors, administrators, successors and assigns wherever the context shall so permit)

BANK OF MAHARASHTRA, a body corporate, constituted by and under the Banking Companies (Acquisition and Transfer of Undertakings) Act 1970 and having its Head Office at "Lokmangal" 1501, Shivajinagar, Pune 411 005 and a Branch office amongst other places at Industrial Finance Branch, Apeejay House, 1. Dr V B Gandhi Marg, Fort, Mumbai 400 001. (Hereinafter called "Bank" which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns) of the OTHER PART.

WHEREAS the Borrower/s has/have requested the Bank to grant to the Borrower/s a term loan of Rs 100,00,00,000/- (Rupees One Hundred Crore only) for the purpose of ongoing capital expenditure which the Bank has agreed to do on the Borrower's agreeing to repay the said loan with interest and other charges as hereinafter mentioned and on the Borrower/s agreeing to comply with the terms and conditions contained herein in addition to the other terms and conditions that may be stipulated by the Bank from time to time either in the letter of sanction or otherwise.



NOW IT IS AGREED BY AND BETWEEN THE PARTIES as follows:

- 1 In pursuance of the said agreement and in consideration of the sum of Rs 100,00,00,000 (Rupees One Hundred Crore only) agreed to be lent/lent and advanced by the Bank to the Borrower/s in one or more installments according to the needs of the Borrower/s and as the Bank deems (in the Borrower/s hereby covenant/s with the Bank to repay the said sum of Rs. 100,00,00,000/- (Rupees One Hundred Crore only) or such sum as may be actually advanced in such installments and on such dates and in the manner set out in the schedule hereunder written In the event of failure of the Borrower/s to pay any one installment on its due date the entire amount then outstanding shall at the option of the Bank become due and payable immediately.
- 2 The Borrower/s agrees with the Bank that so long as the said Facilities of any portion thereof will remain outstanding or unpaid, the Borrower/s will pay to the Bank interest on the outstandings from time to time and commission, costs, charges, expenses, penal interest etc at such late and rests and periodicity as mentioned in the in the Bank's sanction letter No. AY39/IFB(M)/BBCL/AG/2013 dated 11.05.2013 a copy whereof is annexed as Second Schedule. The present Rate of Interest at Base Rate+2.75% p.a i.e 13.00% p.a presently Rate of Interest shall be reset at the end of 12 months from the date of first disbursement and every year thereafter.

However, the bank shall be entitled to change the rate of interest periodicity, mode and basis/ method of charging, based on any statute of Government/RBI guidelines or policy of the Bank or change in the credit risk rating or any other criteria for changing the said interest as may be deemed lit and necessary by the bank in its sole discretion and the borrower hereby agrees to pay interest at such changed rate from time to time as if the same has been provided hereunder.
- 3 The bank hereby reserves the right to review the rate of interest stipulated and shall be entitled to reset the rate of interest as may be considered appropriate by the bank in its sole discretion. The reset date would be as stated in the sanction or as may be stipulated by the bank.
- 4 The Borrower hereby agrees that in the event of failure to comply with any of the terms and conditions contained in the sanction letter as well as in this agreement, such interest shall be capitalized and will carry interest at the same rate as is applicable to the said facilities. It is specifically agreed by the borrower/s that the right of the bank to capitalize the interest is in addition to the right of the bank to charge additional interest/penal interest @ 2% or such other rate as may be stipulated by the bank from the date of default to the date of actual payment and will be treated as an advance secured by these presents. Similarly Borrower agrees to pay commitment charges, as per policy of the Bank, in case of prepayment of credit facilities.

- 5 Notwithstanding the Bank's decision/action/policy, if any, to reverse any debit entry or not to debit interest or not to make any debit entry in Bank's books or in ledger account or in statement of account or any account for any period whatsoever, the Borrowers shall be bound and liable to pay jointly and severally to the Bank, the entire outstanding debit balance and compound interest thereon with quarterly/monthly/half yearly/yearly rests till the date of realization recovery or collection by the Bank of all such amounts plus penal interest, additional interest liquidated damages commission, costs, charges and expenses at such rates as may be prevailing or fixed or to be fixed by the Bank from time to time without reference, notice or intimation by the Bank at any time whatsoever.
- 6 The borrower shall abide by and fully comply with all other terms condition, provisions and stipulations contained in the letter of sanction no AY39/IFB (M)/BBCL/AG/2013 dated 11.05.2013, copy whereof is annexed hereto as Second Schedule together with such amendments/modifications/changes, variations or alterations if any made by the bank from to time in its sole discretion without any notice or reference to the Borrower. Besides the said terms and conditions stipulated in the sanction letter the borrower covenants to abide by and comply with all the terms condition, provisions and stipulations contained in this document.
- 7 In default of payment of any one/two installments of quarterly interest as stated above the Bank shall be entitled to demand payment of the entire amount then outstanding in respect of the said loan, as if the period for repayment has expired and shall also be entitled, on failure to pay the interest at the end of each quarter, to debit to the borrower/s loan account and capitalize the amount of such interest as if such amount was a fresh loan advanced by the Bank to the Borrower/s and shall be entitled to charge like interest thereon, in addition to the charging penal interest at the rate of 2% p.a. from the date of default to the date of payment of such defaulted interest.



the Bank may first be appropriated by the Bank towards costs, charges and expenses incurred by the Bank and surplus amount, if any may thereafter be appropriated by the Bank towards interest chargeable by the Bank and surplus amount, if any, may lastly be appropriated by the Bank towards principal amount due to the Bank.

- 15 The Bank shall be entitled at any time and from time to time without any notice, reference or intimation to Borrower/s and without Borrower/s consent to adjust, appropriate or set off any credit balance or any part thereof due or to become due to Borrower/s in any of Borrower/s current savings, term deposit or any deposit account or any account whatsoever at any of the Bank's branches in Borrower/s name/s with or without joint names of any other persons or before or after the maturity dates thereof towards satisfaction or part satisfaction of outstanding debit balances due or to become due by Borrower/s to the Bank in any account at any of the Bank's branches whatsoever.
- 16 Borrower/s do hereby agree, undertake, record, declare, admit, assure promise, acknowledge and confirm to abide by accept, satisfy, fulfill, carry out Perform and comply fully with all the terms, conditions requirements sanctions, provisions and stipulations or any amendments or modifications therein made or to be made by the Bank at any time or from time to time in its discretion concerning any of Borrower/s facilities, limits or accounts without any reference, notice or intimation by the Bank in that behalf.
- 17 In case of default committed by the Borrower, the Bank shall be entitled to publish name, photograph, dealings, etc. of the Borrower in any media such as television, local T.V. network, newspaper, magazine, internet mobile, etc. as the Bank in its sole discretion may decide.
- 18 the Borrower/s. agree that as a pre-condition, relating to grant of the loans / advances / other non-fund-based credit facilities to the Borrower/s and relating to the guarantees by the Borrower/s in the Bank's favour the Bank requires the Borrower/s' consent for the disclosure by the Bank of information and data relating to the Borrower/s of the credit facility availed / to be availed by the Borrower/s, obligations assumed / to be assumed by the Borrower/s, in relation thereto and default, if any committed by the Borrower/s, in discharge thereof.

1. Accordingly the Borrower/s, hereby agree and give consent for the disclosure by the Bank of all or any such:
 - a) information and data relating to the Borrower/s:
 - b) the information or data relating to in any credit facility availed / to be availed by me/us, and relating to our obligations as guarantors and
 - c) default, if any committed by the Borrower/s, in discharge of the Borrower/s, such obligation, as the Bank may deem appropriate and necessary, to disclose and furnish to Credit information Bureau (India) Ltd. and any other agency authorized in this behalf by RBI.
2. The Borrower/s declare that the information and data furnished by the Borrower/s to the Bank are true and correct
3. The Borrower/s doth / do hereby undertake that:
 - a) the Credit Information Bureau (India) Ltd. and any other agency so authorized may use, process the said information and data disclosed by the Bank in the manner as deemed fit by them; and
 - b) the Credit information Bureau (India) Ltd. and any other agency so authorized may furnish for consideration, the processed information and data or products thereof prepared by them, to banks / financial institutions and other credit grantors or registered users, as may be specified by the Reserve Bank in this behalf.
- 19 Any stamp duty, penalty, registration charges, or deficit therein, if any payable on this document shall be borne and paid by the Borrower/s and not by the Bank.
- 20 Any demand or notice to be made or given to the Borrower/s may be made or given by leaving the same at or posting the same by post in an envelope under Certificate of posting addressed to the Borrower/s at their place of business, residence or office on the last known address and every such demand or notice shall be deemed to be received as the case may be at the time at which it is left or at the time at which it should have been delivered in the ordinary course of post.

The First Schedule Above referred to

REPAYMENT SCHEDULE

The company shall repay the principal amount of the RTL in 24 unequal quarterly installments commencing after 2¼ years from the date of first disbursement as under:

Year	Amt. out of total loan to be repaid during the year	No. of quarterly installments	(Rupees in crore)
2015-16	5.00%	4	5.00
2016-17	7.50%	4	7.50
2017-18	15.00%	4	15.00
2018-19	20.00%	4	20.00
2019-20	25.00%	4	25.00
2020-21	27.50%	4	27.50
Total	100.00%	24	100.00

Due date for the repayment of each quarterly installment shall be at the last date of corresponding quarter.

The interest shall be payable immediately as and when applied to the account.

Bank shall have the right to review the operations of the Borrower during tenor of the loan and may revise the repayment schedule in consultation with the Borrower.

The Second Schedule Above referred to

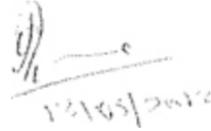
Copy of the letter of sanction Letter No AY39/IFB (M)/BBCL/AG/2013 dated 11.05.2013.

IN WITNESS WHERE OF Borrower/s has / have hereunto set his/their respective hands the 13th day May month and year 2013 first hereinabove mentioned.

COMMON SEAL OF BHARAT BUSINESS CHANNEL LIMITED HEREUNTO AFFIXED IN THE PRESENCE OF Shri. S.Murukan (Constituted Attorney under Power of Attorney dated 11.05.2013)

AUTHORISED SIGNATORIES OF BHARAT BUSINESS CHANNEL LIMITED IN PURSUANCE OF THE BOARD RESOLUTION dated 11.05.2013.

Signed, and delivered by
Shri. V.K. Sharma
Deputy General Manager,
Mumbai Industrial Finance Branch
Authorised Officer of the Bank.


13/05/2013

[\(Back To Top\)](#)

Section 22: EX-10.16 (EXHIBIT 10.16)

Exhibit 10.16



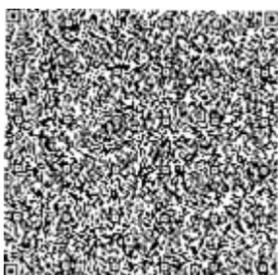
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INDIA NON JUDICIAL

Government of National Capital Territory of Delhi

e-Stamp

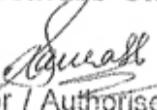
Certificate No. : **IN-DL70818827762114M**
Certificate Issued Date : 25-Jun-2014 12:52 PM
Account Reference : IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600338484162271494M
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Property Description : Not Applicable
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : Not Applicable
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



.....Please write of type below this line.....

THIS STAMP PAPER FORMS AN INTEGRAL PART OF DEED OF HYPOTHECATION DATED 28th DAY OF JUNE 2014 EXECUTED AT NEW DELHI BY BHARAT BUSINESS CHANNEL LTD IN FAVOUR OF YES BANK LTD.

Bharat Business Channel Ltd.


Director / Authorised Signatory

Statutory Alert:

1. The authenticity of this Stamp Certificate should be verified at [ILLEGIBLE] available on the website renders it invalid.
 2. The onus of checking the legitimacy is on the users of the certificate.
 3. In case of any discrepancy please inform the Competent Authority.
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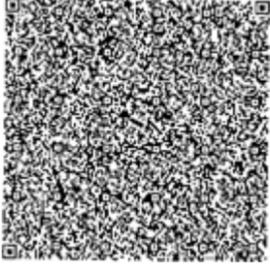


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Certificate No. : **IN-DL70818530355210M**
Certificate Issued Date : 25-Jun-2014 12:52 PM
Account Reference : IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600338484596585171M
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Property Description : Not Applicable
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : Not Applicable
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



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Bharat Business Channel Ltd.


Director / Authorised Signatory

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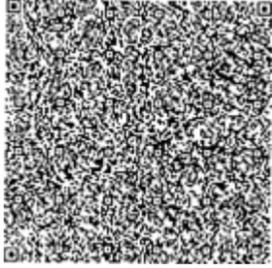


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e-Stamp

Certificate No. : **IN-DL70818243361959M**
Certificate Issued Date : 25-Jun-2014 12:51 PM
Account Reference : IMPACC (IV)/ dl736003/ DELHI/ DL-DLH
Unique Doc. Reference : SUBIN-DL73600338485030937454M
Purchased by : BHARAT BUSINESS CHANNEL LTD
Description of Document : Article 5 General Agreement
Property Description : Not Applicable
Consideration Price (Rs.) : 0
(Zero)
First Party : BHARAT BUSINESS CHANNEL LTD
Second Party : Not Applicable
Stamp Duty Paid By : BHARAT BUSINESS CHANNEL LTD
Stamp Duty Amount(Rs.) : 100
(One Hundred only)



.....Please write of type below this line.....

THIS STAMP PAPER FORMS AN INTEGRAL PART OF DEED OF HYPOTHECATION DATED 28th DAY OF JUNE 2014 EXECUTED AT NEW DELHI BY BHARAT BUSINESS CHANNEL LTD IN FAVOUR OF YES BANK LTD.

Bharat Business Channel Ltd.


Director / Authorised Signatory

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 3. In case of any discrepancy please inform the Competent Authority.
-

DEED OF HYPOTHECATION

THIS DEED OF HYPOTHECATION executed at Delhi this day 28th of June 2014 by Bharat Business Channel Ltd, a Company within the meaning of the Companies Act, 1956 and having its Registered Office at Auto Gas Compound, Adalat Road, Aurangabad – 431005 having Branch at Delhi

OR

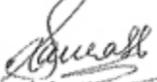
M/s _____,
a partnership firm registered under Indian Partnership Act, 1932 having its principal place of office at _____

OR

Mr./ Ms. _____,
Indian Inhabitant carrying on business as sole Proprietor/Proprietress in the name and style of M/s _____ at _____

hereinafter referred to as "**the Borrower**" (which expression shall, unless excluded by or repugnant to the context or meaning thereof, be deemed to include its successors and administrators) in favour of **Yes Bank Limited** a Company within the meaning of the Companies Act, 1956 and having its Registered Office at Nehru Centre, 9th Floor, Discovery Of India, Dr. A.B. Road, Worli, Mumbai 400018, hereinafter referred to as "**the Lender**" (which expression shall, unless excluded by or repugnant to the context or meaning thereof, be deemed to include its successors, administrators and assigns)

Bharat Business Channel Ltd.


Director / Authorised Signatory

 Page 1 of 11

WHEREAS

- (A) The Borrower is engaged in the business of *inter-alia* Direct to Home Services
- (B) The Lender has sanctioned to the Borrower, credit facilities in terms of the Lender's Facility Letter Ref. No.YBL/DEL/FL/0347/2014-15 dated June 28, 2014 [**the Agreement**], for financing Capex, reimbursement of Capex etc, to an extent of Rs.2,75,00,00,000 /- (Rupees Two hundred and seventy five Crore. Only) being in the nature of Term Loan Facility.
- (C) The term Agreement shall include any modification, extension or, supplemental thereto. The above mentioned credit facility is hereinafter referred to as '**the Facility**'.
- (D) The Borrower has, by accepting the terms and conditions as contained in the Agreement, agreed to avail the Facility from the Lender and to repay the same together with interest thereon at the agreed/stipulated rate with provisions for payment of additional interest, liquidated damages, commitment charges, payable and outstandings from time to time by the Borrower as set out in the Agreement.
- (E) In terms of the Agreement, the Borrower and the Lender have agreed that the principal sums under the Facility together with all interest, costs, expenses and other monies whatsoever stipulated therein, are to be secured in the form of a hypothecation in favor of the Lender, on all the **Hypothecated Assets**, more particularly defined in the Schedule hereto.

NOW THIS DEED WITNESSETH AS FOLLOWS:

- (1) In consideration of the Lender granting/ continuing to grant the Facility to the Borrower under the Agreement, the Borrower hereby hypothecates by way of a subsequent hypothecation charge on all movable assets including movable fixed assets in favour of the Lender, a brief description whereof is given in the schedule hereunder written which now or hereinafter from time to time during the continuation of this security shall be due to or accrue in favour of the Borrower, as the case may be, hereinafter called Hypothecated Assets as security for the repayment by the Borrower to the Lender of the amounts due and outstanding from the Borrower to the Lender in respect of the Facility as mentioned *ibid*, at any time or ultimately on the termination of the Facility, and for the payment of all the debts and liabilities mentioned in Clause 9 hereof. The expression "the amounts due and outstanding" in this and the subsequent clauses of this Deed shall be taken to include the principal moneys from time to time due in respect of the Facility and also all interest and overdue interest thereon calculated from day to day in accordance with the Lender's usual practice and the amounts of all charges and expenses which the Lender may have paid or incurred in any way in connection with the Hypothecated Assets or the recovery or disposal thereof.

Bharat Business Channel Ltd.

Page 2 of 11


Director / Authorised Signatory

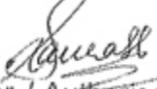
- (2) Notwithstanding anything contained in the previous clause, the Borrower shall at all times during the continuance of this security keep and maintain such margin of security in favour of the Lender if any as may be notified by the Lender from time to time. The Borrower shall not operate or draw against the Facility so as to exceed the margin of security, if any as the Lender may from time to time fix. If at any time the margin is not maintained, then the Borrower shall forthwith (according to and as the Lender may require) either hypothecate in favour of the Lender, such further assets as approved by the Lender and of sufficient value to make up the deficiency or shall reduce the outstanding amounts of the Facility by cash payment, so as to maintain the required margin.
- (3) The Hypothecated Assets shall be held for the benefit of the Lender specially appropriated to this security and the Borrower will not, without the Lender's prior written consent, create any further charge, lien or encumbrance affecting the same or any part thereof nor do anything which would prejudice the security hereby created and the Borrower shall not part with the Hypothecated Assets other than in the ordinary course of business.
- (4) The Borrower shall, with the previous consent of the Lender, be at liberty from time to time to sell or dispose off in any manner otherwise than in the ordinary course of business, the Hypothecated Assets or any part thereof provided the value of such Hypothecated Assets realised, is utilised to repay the Facility.
- (5) The Borrower shall permit the Lender, their agents and servants from time to time and at all times, at risk and expense of the Borrower, to enter upon any premises wherein the Hypothecated Assets and/or the records of the Hypothecated Assets or any part thereof may for the time being be maintained and to view, inspect and evaluate the same and make records/ take copies thereof and render to the Lender and their servants all facilities as may be required for any of the purposes aforesaid.
- (6) The Borrower shall, if so required by the Lender, cause an indication or marking with the name of the Lender and a statement to the effect that the Hypothecated Assets stored, kept or otherwise recorded have been hypothecated in favour of the Lender, distinctly affixed/written/printed thereon to be shown at all times in a conspicuous manner upon on all or any such premises and/or records where the Hypothecated Assets are maintained and/or recorded, during the continuance of the security created hereby.
- (7) In addition, the Borrower shall make and furnish to the Lender, all statements and returns of the details of the Hypothecated Assets and a full description thereof and produce such evidence in support thereof, as the Lender may from time to time require.

Bharat Business Channel Ltd.


Director / Authorised Signatory

- (8) Interest as applicable in terms of the Agreement, shall be calculated and charged on the Facility outstanding balance, until the Facility is fully liquidated, and shall be regularly paid by the Borrower.
- (9) On demand by the Lender in terms of the Agreement, the Borrower shall pay to the Lender, the Facility balances then due to the Lender together with all interest (including overdue interest, if any) at the rates mentioned therein and the amount of all further charges and expenses (if any) to the date of payment, provided nothing contained in this clause shall be deemed to prevent the Lender from demanding payment of the interest for the time being due at the above mentioned rate without at the same time demanding payment of the balance due to the Lender, exclusive of such interest.
- (10) In default of payment by the Borrower of any money secured in terms of these presents or in the event of the Borrower committing a breach of any of the terms and conditions of these presents or of the Agreement, or the occurrence of any circumstances in the opinion of the Lender, endangering this or any other security, the Lender and their officers and agents shall be entitled without notice to the Borrower but at the Borrower's risk and expense and if so required, as attorneys for and in the name of the Borrower or otherwise, to exercise the rights available to the Lender under Clause 16 of these presents.
- (11) If the net sum realised or to be realised pursuant to the exercise of such power in the clause 16 of these presents, be insufficient to cover the balance then due to the Lender, the Lender shall be at liberty to apply any other money or moneys in the hands of the Lender standing to the credit of or belonging to the Borrower in or towards payment of the balance for the time being due to the Lender and in the event of there not being any such money or moneys as aforesaid in the hands of the Lender or in the event of such money or moneys being still insufficient for the discharge in full of such balance, the Borrower promises and agrees forthwith on production to them of an account to be prepared and signed as in Clause 13 hereof to pay further the balance which may appear to be due by the Borrower thereon PROVIDED ALWAYS that nothing herein contained shall be deemed to negate, qualify or otherwise prejudicially affect the right of the Lender (which it is hereby expressly agreed the Lender shall have) to recover from the Borrower, the balance for the time being remaining due from the Borrower to the Lender, upon the Facility, notwithstanding that all or any of the said Hypothecated Assets may not have been realised.
- (12) In the event of there being a surplus available pursuant to Clause 11 of these Presents, after payment in full of the balance due to the Lender, it shall be lawful for the Lender to retain and apply the said surplus together with any other money or moneys belonging to the Borrower for the time being in the hands of the Lender in or under whatever account as far as the same shall extend against, in, or towards payment or liquidation of any and all other moneys which shall be or may become due from the Borrower, whether solely or jointly with any other person or persons, firm or company, to the Lender by way of loans, discounted bills, letters of credit, guarantees, charges or of any other debt or liability including bills, notes, credit and other obligations current though not then due or payable or other demands, legal or equitable, which the Lender may have against the Borrower, or which the law of set off or mutual credit would in any case admit and whether the Borrower shall become or be adjudicated bankrupt or insolvent or be in liquidation or otherwise and interest thereon from the date on which any and all advance or advances in respect thereof shall have been made at the rate or respective rates at which the same shall have been so advanced.

Bharat Business Channel Ltd.


Director / Authorised Signatory

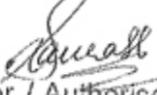
- (13) The Borrower agrees to accept, in the absence of any manifest error, as conclusive proof of the correctness of any sum claimed to be due from them to the Lender under this Deed, a statement of account made out from the books of the Lender and signed by the accountant or other duly authorised officer of the Lender without the production of any other voucher, document or paper.
- (14) This Deed is to operate as security for the balance from time to time due to the Lender and also for the ultimate balance to become due on the Facility and the Facility is not to be considered to be terminated for the purpose of this security and the security of the Hypothecated Assets is not to be considered exhausted by reason of the Facility being brought to credit at any time or from time to time or of its not being drawn upon to the full extent of the said aggregate sum of Rs. 2,75,00,00,000/-, if afterwards reactivated by a payment to credit.
- (15) The Borrower hereby declares that all the Hypothecated Assets shall be the absolute property of the Borrower, at the sole disposal of the Borrower hereof, free from any prior charge or encumbrance and that all future assets hereunder shall be likewise their unencumbered undisposed property and that the Borrower has/shall not done/do or knowingly suffered/suffer or been/be party or privy to anything whereby it is/shall be in any way prevented from hypothecating the Hypothecated Assets in the manner as contained herein and that the Borrower will do and execute at its costs all such acts and things for further and more particularly assuring the Hypothecated Assets or any part thereof to the Lender as shall be required by the Lender and for giving better effect to these Presents, the Borrower hereby irrevocably authorises and appoints the Lender and/or their officers as attorneys and in the name of the Borrower to act on behalf of the Borrower and to execute and do any act, assurance and things which the Borrower ought to execute and do under these Presents or generally to use the name of the Borrower in the exercise of the powers hereby conferred.

Bharat Business Channel Ltd.


Director / Authorised Signatory

- (16) In the event of default on the part of the Borrower in observing any of the terms and conditions of the Agreement or of these presents, or if an event of default occurs as mentioned in the Agreement, or if the borrower receives any notice of winding up and a winding up petition is filed which is not dismissed within a period of two months from the date of service of such winding up petition or any provisional liquidator is appointed or any assets of the borrower or the borrower ceases to carry on business or passes a resolution to that effect or any of the assets of the borrower moveable or immovable is attached or if the borrower is under voluntary or compulsory liquidation or on the occurrence of any circumstances in the opinion of the Lender, prejudicing or endangering this or any other security, the Lender shall, in addition to the powers conferred hereby or the Agreement, be entitled (at the Borrower's risk and expense) as Attorney(ies) for and in the name of the Borrower, (the Borrower hereby appointing the Lender, in its individual capacity to be its Attorney) to appoint Receivers or any other appropriate agents or agencies for the Hypothecated Assets forming part of the security created hereby, and give notice and demands to the Borrower and the parties liable in respect of those Hypothecated Assets and to demand, sue, recover and receive and give receipts and discharges for the same, realise by private contract or otherwise, dispose off all or any part of the said Hypothecated Assets and enforce, compromise or settle by arbitration or deal in any manner with any of the said Hypothecated Assets or claims under this security. The Borrower undertakes to transfer and deliver to the Lender all relevant documents or papers and agrees to accept the Lender's accounts or receipts from realisation under this security and to make good to the Lender any shortfall or deficiency thereby shown.
- (17) The Borrower agrees to execute on demand by the Lender such further documents as may be required by the Lender in respect of the maintenance or realisation of the security created hereby.
- (18) The Borrower shall not without the prior written consent of the Lender, receive, compound or realise or commit any act with respect to the Hypothecated Assets whereby the recovery thereof is impeded, delayed or prevented.
- (19) Provided always that this Deed is not to prejudice the rights or remedies of the Lender against the Borrower irrespective and independent of this Deed in respect of any other advances made or to be made by the Lender to the Borrower.
- (20) Any change in the constitution of the Borrower or the Lender, during the validity of this Deed, shall not impair or discharge the liability of the Borrower hereunder.
- (21) The Borrower shall submit the proper declaration in respect of particulars of the Hypothecated Assets held by them as and when required and in the form and manner prescribed by the Lender and will hand over the declaration to the Lender to enable them to prepare their own declaration as regards the assets so hypothecated.
- (22) Any notice by way of request demand or otherwise hereunder may be given by the Lender to the Borrower personally or may be left at the then or last known place of business or residence in India of the Borrower or any of such individuals addressed to the Borrower or may be sent by post to the Borrower addressed as aforesaid and if sent by post it shall be deemed to have been given at the time when it would be delivered in due course of post and in proving such notice when given by post it shall be sufficient to prove that the envelope containing the notice was posted and a Certificate signed by the Lender's respective local manager or duly authorised officer that the envelope was so posted shall be conclusive. If by any reason any such notice cannot be given, the same if inserted once as an advertisement in a newspaper circulating in the district of the Lender's office shall be deemed to have been effectually given and received on the day on which such advertisement appears.

Bharat Business Channel Ltd.


Director / Authorised Signatory

- (23) In the event of default by the Borrower under the Agreement, the Lender may take any steps to take possession or realise or enforce the security through the intervention of the Court or by appointing a Receiver or by sale or realisation of the assets charged hereby or otherwise howsoever and in whatever manner as it deems fit and for that purpose exercise all rights and powers vested in the Lender by law and/or under the Agreement and other documents executed between the Lender and the Borrower.
- (24) In the event the security is realised howsoever and in whatever manner, proceeds of such realisations, including monies received from insurance companies or otherwise in respect of the security, after deducting therefrom the costs, (between attorney/advocate and client) charges and expenses incidental to such realisation, shall in the first instance be appropriated towards or in satisfaction of all indebtedness of the Borrower due and outstanding under the Agreement, *pro-rata* in accordance with the total amount of such indebtedness due and outstanding principal and interest and all charges under the existing Facility or any of them and in respect of the Agreement as aforesaid and therefore the balance, if any, shall be available for and be appropriated to the outstanding indebtedness or liabilities of the Borrower on any account or in any manner to the Lender in accordance with the total amount of such other outstanding indebtedness or liabilities. In the event of the net proceeds of realisation being insufficient for repayment of whole of the respective amounts due to the Lender, the same shall be appropriated in liquidation of the indebtedness of the Borrower to the Lender as aforesaid in accordance with the total amount of such indebtedness and liabilities. Until such appropriation the monies realised by any one of the Lender or by any Receiver appointed, shall be held by such Receiver in trust for the Lender or by its/their agents, nominees, officer, in trust for the benefit of the Lender in accordance with its rights hereunder.
- (25) The Borrower hereby authorises the Lender to recover and realise all the present and future Hypothecated Assets now owing or which may hereafter become owing to the Borrower in future from or by the various constituents customers, agents, government concerns, dealers and all other persons/entities, and out of the net recovery and realisation so received to pay itself the moneys in repayment of the Borrower's dues to the Lender under or in respect of the said Facility
- (26) The Borrower do hereby irrevocably and unconditionally nominate, constitute and appoint the Lender to act through any of its officers for the time being of the Lender, each of them severally to be the Borrower's true and lawful Attorneys for the Borrower in its name and on its behalf and for its use and benefit and at its costs to do all the following acts, deeds, matters and things or any of them that is to say:

Bharat Business Channel Ltd.


Director / Authorised Signatory

- a) To ask, demand, sue for, recover and receive of and from all our constituents, customers, agents and dealers and all other persons liable to pay, transfer and deliver the same respectively all and every debt or debts sum or sums of money goods, chattels and effects due and owing to the Borrower which the Borrower has hypothecated to the Lender under this Deed by virtue of any security or upon any balance of account or otherwise howsoever as we the Borrower shall at any time hereafter in writing under our hand express to be due from them or any of them and upon receipt thereof or any part thereof for the Borrower and in their name to give, sign and execute good and sufficient receipts, release, re-conveyances and other discharges for the same respectively.
 - b) Upon non-payment non-transfer or non-delivery thereof or any part thereof respectively to commence, carry on and prosecute any action, suit or other proceedings whatsoever for recovering and compelling the payment, transfer or delivery thereof respectively and for that purpose to engage solicitors and advocates and to settle and pay their fees.
 - c) To settle, compound and submit to arbitration all actions, suits, accounts, claims and demands whatsoever which now are or hereafter shall or may be pending between the Lender and the Borrower and any such constituent, dealers, agents, customers and all other persons as aforesaid in such manner and in all respects as our said attorneys shall think fit.
 - d) To pay the Lender itself out of and to appropriate and credit the monies so realised after deducting thereout all costs, charges and expenses incurred by the Lender for the recovery and realisation thereof, between advocate and client and all the Lender's usual charges against the said facility granted by the Lender to the Borrower and/or against monies whatsoever due and payable by the Borrower to the Lender howsoever.
 - e) To sign, make, affirm and declare all such applications, affidavits, petitions, pleadings, written statements, counterclaims, memos of review or revision and memos of appeal as the attorneys may deem proper.
 - f) To apply for, review of or to appeal from any order or decree passed against the Borrower.
 - g) To execute any order or decree passed in favour of the Borrower by attachment and sale of the property of the judgment debtor and/or by detention of the person of the judgment debtor in civil prison.
 - h) To use and sign Borrower's name for the purposes aforesaid.
 - i) To do and execute all such other acts deeds matters and things as may be necessary for the purposes stated herein as fully and effectually to all intents and purposes as the Borrower could do in its own proper person if these presents had not been made.
- (27) The powers conferred under these presents shall be in addition to the powers conferred on the Lender in the Agreement and if there be any inconsistency between the terms and conditions in the Agreement and these presents, the terms and conditions in these presents shall prevail.

Bharat Business Channel Ltd.

Page 8 of 11


Director / Authorised Signatory

(28) Notwithstanding anything contained to the contrary in the foregoing provisions, the rights and powers vested in the Lender under the provisions of Securitisation and Reconstruction of financial Assets and Enforcement of Security interest Act,2002 or any statutory modification or re-enactment thereof (the Act) shall remain unaffected and the said provisions shall not prejudice the rights and powers of the Lenders specially the rights conferred upon the Lender under the Act to enforce the securities under the various provisions of the said Act as also to securities the debt and security given therefor to the Lender under these presents, it being clearly understood by and between parties to the end and intent that all the rights and powers granted to the Lender under the said Act shall remain intact and shall not be prejudiced or curtailed by any of the provisions contained herein and further the borrower agrees and consents to the same.

(29) In case of any disputes, the competent Court in Delhi shall have exclusive jurisdiction in the matter.

In case of a Company

THE COMMON SEAL OF Bharat Business Channel Ltd)
Limited, the Constituent herein has been affixed to)
these presents pursuant to the resolution of its Board)
of Directors passed at their meeting held on)
19 June 2014 in the presence of)
Mr. Saurabh Dhoot)
_____ (name & description) and)
Mr. _____)
_____ (name & description) who)
have signed these presents in token thereof)



In case of Partnership firm

IN WITNESS WHEREOF the Partners of the Firm have set and subscribed their respective hands hereto, the day and year first hereinabove mentioned at _____

For _____ (Name of the Partnership Firm)

)

)

(Partners)

In case of Prop. Concern

IN WITNESS WHEREOF the said Proprietor/Proprietress has set and subscribed his/her hand hereto, the day and year first hereinabove mentioned at _____

For _____ (name of the Prop. Concern)

Bharat Business Channel Ltd.


Director / Authorised Signatory

)

)

(Proprietor/Proprietress)

SCHEDULE

[to the Deed of Hypothecation dated _____ between _____ (the Borrower) and YES BANK Limited (the Lender)]

The whole of the Current Assets of the Borrower's stocks of raw material, semi-finished and finished goods, stores and spares including relating to plant and machinery (consumable stores and spares), Bills receivables and book debts and all other receivables and moveables, both present and future whether lying or stored in or about or shall hereinafter from time to time during of the security of these presents be brought into or upon or be stored or be in or about of the Borrower's factories, premises and godowns situate anywhere and as the same maybe or be held by any party to the order or disposition of the Borrower or in the course of transit or on high seas or on order or delivery, howsoever or wheresoever in the possession and/or control of the Borrower and either by way of substitution or addition.

AND

The whole of the Moveable Fixed Assets of the Borrower's including Plant and Machinery of all movable fixed assets of Borrower located at _____, both present and future or shall hereinafter from time to time during of the security of these presents brought into to the order or disposition of the Borrower or in the course of transit or on high seas or on order or delivery, howsoever or wheresoever ion the possession of the Borrower and either by way of substitution or addition.

IN WITNESS WHEREOF the Borrower has caused this Deed to be executed on the day, month and year first hereinabove written.

SIGNED, SEALED AND DELIVERED

by Bharat Business Channel Ltd

in presence of

Saurabh Dhoot

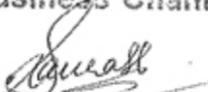
_____ and the Common Seal of

Bharat Business Channel Ltd

was hereunto affixed in the pursuance of



Bharat Business Channel Ltd.


Director / Authorised Signatory

the Resolution of the Board of Directors

thereof dated

19 June 2014

in the presence of Saurabh Dhoot

Bharat Business Channel Ltd.


Director / Authorised Signatory

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Section 23: EX-10.17 (EXHIBIT 10.17)

Exhibit 10.17

FACILITY AGREEMENT

Among

THE PERSONS LISTED IN SCHEDULE I HERETO
as the Original Lenders

AND

IDBI TRUSTEESHIP SERVICES LIMITED
as the Facility Agent

AND

ICICI BANK LIMITED
as the Arranger

AND

ICICI BANK LIMITED
as the Account Bank

AND

BHARAT BUSINESS CHANNEL LIMITED
as the Borrower



ECONOMIC LAWS PRACTICE ADVOCATES & SOLICITORS

FACILITY AGREEMENT

THIS AGREEMENT is dated 20th December, 2010 (hereinafter referred to as the “Effective Date”) and made between:

- (1) **Bharat Business Channel Limited** a company incorporated under the laws of India with its registered office at 171-C, 17th Floor Mittal Court C Wing, Nariman Point, Mumbai- 400 021 India (the “**Borrower**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns);
- (2) **ICICI BANK LIMITED**, a bank incorporated under the laws of India with its registered office at Landmark, Race Course Circle, Vadodara 390 007, Mumbai, India and acting through its branch in ICICI Bank Towers, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, New Delhi - 110003 (in this capacity, the “**Arranger**” which expression shall, unless it be repugnant to the subject or context thereof, include its successors and assigns);
- (3) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Schedule 1 (*Original Lenders*) as lenders and those who acceded as Tranche B Lenders through the Accession Deed (the “**Original Lenders**” which expression shall, unless it be repugnant to the subject or context thereof, include their respective successors and assigns); and
- (4) **IDBI TRUSTEESHIP SERVICES LIMITED**, a company incorporated under the Companies Act, 1956 with its registered office at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate Mumbai-400 001 (the “**Agent**” or “**Facility Agent**”, which expression shall, unless it be repugnant to the subject or context thereof, Include its successors and permitted assigns);
- (5) **ICICI Bank Limited**, a public company incorporated under the Companies Act, 1956 and licensed as a bank under the Banking Regulation Act, 1949 with its registered office at Landmark, Race Course Circle, Vadodara 390 007, India, acting through its branch at ICICI Bank Towers, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, New Delhi - 110003 (the “**Account Bank**”, which expression shall, unless it be repugnant to the subject or context thereof, Include its successors and assigns).

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Facility Agreement:

“**Additional Debt**” means the debt as detailed in clause 2.1 A.

“**Accession Deed**” means the deed entered into by the Tranche B Lenders to accede to this Agreement to provide its Tranche B Commitment, forming part of the Total Tranche B Commitment in the form provided in Schedule 12.

“**Account Mandate**” means the account mandate relating to the establishment and maintenance of the Escrow account(s), Special Bank Account and DSRA (*as defined hereinafter*) entered into on or about the Effective Date between the Borrower, Facility Agent and the Account Bank.

“**Additional Guarantee**” means the guarantee as detailed in clause 17A.3 (b).

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company/ individual promoter of that person or any other Subsidiary of that Holding Company/ individual promoter and in relation to the individual promoter it would also include the relatives of such a person as defined in the Companies Act, 1956.

"Authorisation" means:

- (a) an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, order, lodgement or registration, and, if the same is conditional, the compliance with all the conditions stipulated therein; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law or regulation if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

"Availability Period" means a period of twenty four (24) months from and including the Effective Date to or till December 31, 2012, whichever is earlier.

"Available Commitment" means a Lender's Commitment minus:

- (a) the amount of its participation in any outstanding Loans; and
- (b) in relation to any proposed Utilisation, the amount of its participation in any Loans that are due to be made on or before the proposed Utilisation Date.

"Available Facility" means the aggregate for the time being of each Lender's Available Commitment.

"Benchmark" shall mean each Lender's base rate as determined by the relevant Lender from time to time.

"Break Costs" means the amount (if any) by which:

- (a) the interest which a Lender should have received pursuant to the terms of this Agreement for the period from the date of receipt of all or any part of the principal amount of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount of that Loan or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

- (b) the amount of interest which that Lender would be able to obtain by placing an amount equal to the principal amount of that Loan or Unpaid Sum received by it on deposit with any leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in relation to determination of a "Quotation Day" and for making any payment to the Finance Parties and for any other purposes in New Delhi.

“Credit Application” means the application/request for credit facility made by the Borrower to the Original Lenders and all information, particulars and clarifications furnished by the Borrower to Original Lenders from time to time in respect thereof.

“Commitment” means, collectively Tranche A Commitments and Tranche B Commitments, or either one of them as maybe contractually applicable.

“Compliance Certificate” means a certificate substantially in the form set out in Schedule 5 (*Form of Compliance Certificate*).

“Contractual Comfort” means any comfort that an Obligor has agreed to provide in pursuance to the Facility.

“Contractual Comfort Documents” means:

- (a) the Promoter NDU, NDU Agency Agreement and the Designated Account Agreement;
- (b) any document created as contemplated by clause 17A (Contractual Comfort);
- (c) any other document created from time to time which may create or evidence any Contractual Comfort to be provided by any person as comfort/assurance for satisfaction of any of the Borrower’s obligations under any Finance Document; and
- (d) any document designated as such from time to time by the Agent without reference to any other Finance Party.

“Control” means, in relation to an entity, the power to direct the management and policy decisions of that entity and/or to appoint the majority of directors on the board of that entity, whether through the ownership of voting share capital, by contract or any other means whatsoever.

“Corporate Promoters” of the Borrower mean:

- (a) Greenfield Appliances Private Limited;
- (b) Synergy Appliances Private Limited;
- (c) Domebell Electronics India Private Limited and
- (d) Platinum Appliances Private Limited (formerly known as Dhoot Brothers Investment Company Private Limited).

“Corporate Promoter Guarantee” means the guarantee as detailed in clause 17A.1.

“Default” means an Event of Default or any event or circumstance which would (with the expiry of any grace period, the giving of notice, the passage of time, the making of any determination under the Finance Documents or the satisfaction of any applicable condition (or any combination of any of the foregoing)) be an Event of Default;

“Default Interest” shall have the meaning ascribed to it in clause 8.3 (*Default Interest*) below.

“Default Rate” shall have the meaning ascribed to it in clause 8.3 (*Default Interest*) below.

“Designated Account Agreement” means the trust and retention account agreement entered into between the Promoters and the NDU agent appointed in pursuance to the NDU Agency Agreement.

“DSR” means the debt service reserve that is required to be maintained by the Borrower in pursuance to the Facility.

“DSRA” means the debt service reserve account, as mentioned in clause 21.24.1 (b) (*Maintenance of the DSR*).

“DSRA Amount” means, the amount to be kept as DSR in favour of the Agent as described in clause 21.24.1 (a) (*Maintenance of the DSR*).

“DSRA Shortfall Undertaking” means the undertaking as detailed in clause 17A.3 (a).

“DSRA Shortfall Undertaking Provider” means Videocon Industries Limited.

“DTH License” means the direct to home license granted to the Borrower by TRAI.

“Due Date” means, in respect of -

- i) an installment of principal amount of the Facility - the date on which the installment falls due as stipulated in Schedule 7 (*Repayment Schedule*) hereto;
- ii) Interest - the date on which interest falls due as stipulated in clause 8.2 (Payment of Interest) hereof;
- iii) any other amount payable under this Agreement - the date on which such amount falls due in terms of this Agreement;
- iv) any amount payable to maintain DSR - the date on which such an amount would need to be paid into the DSRA or a guarantee from the DSRA Shortfall Undertaking Provider, bank guarantee or a stand-by letter of credit to be arranged for the equivalent amount;
- v) or such other dates on which any amounts including principal, interest or other monies, fall due in terms of this Agreement.

“Escrow Account” means the account as detailed in clause 21.25.

“Existing Creditors” means the lenders who have provided the Existing Debt.

“Existing Debt” means the existing loan of rupees eight billion nine hundred and fifty million (8,950,000,000) of the Borrower.

“Event of Default” means any event or circumstance specified as such in clause 22 (*Events of Default*).

“Existing Encumbrances” means the Security described in Part A of Schedule 9 (*Existing and Permitted Encumbrances*).

“Facility” means collectively the term loan facilities made available under this Agreement as described in clause 2 (*The Facility*).

“Facility Agreement” means this particular facility agreement entered into between the Borrower and the Lender(s) in respect of the Facility and includes all schedules and amendments to such facility agreement.

“Facility Office” means the office or offices notified by a Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, but not less than five (5) Business Days’ written notice) as the office or offices through which it will perform its obligations under this Agreement.

“Fee Letter” means any letter or letters dated on or about the Effective Date between any Finance Party and the Borrower setting out any of the fees referred to in clause 11 (Fees).

“Final Repayment Date” means the date which is seventy eight (78) months after the First Utilisation Date.

“Finance Document” means this Facility Agreement, the Fee Letter(s), the Credit Application, any Transfer Certificate, any Security Document, any Accession Deed, all agreements, instruments, undertakings, indentures, deeds, writings and any other document (whether financing, security, contractual comfort or otherwise) executed or entered into, or to be executed or entered into, by the Borrower or, as the case may be, any other person, in relation, or pertaining, to the transactions contemplated by, or under this Agreement and shall include any documents designated as such by the Agent without reference to any other Finance Party.

“Finance Party” means the Agent, the Arranger, the Security Trustee, the NDU Agent or any of the Lenders and **“Finance Parties”** means all of them.

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) monies borrowed;
- (b) any amount raised under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (Including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (h) shares which are expressed to be redeemable;
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;

- (j) any liabilities contracted by whatever means (including liabilities under any contracts in which they have an obligations to purchase shares, debentures or any other securities, any payment undertaking or any letter of comfort); and
- (k) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above.

"First Utilisation Date" means the date on which the first Loan is made under this Facility Agreement.

"GAAP" means, in relation to any corporation, generally accepted accounting principles in the jurisdiction of its incorporation.

"Governmental Agency" means any government or any governmental agency, semi- governmental or judicial entity or authority (including any stock exchange or any self-regulatory organisation established under any law or regulation).

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

"IFRS" shall mean the International Financial Reporting Standards.

"Indirect Tax" means any goods and services tax, consumption tax, value added tax or any Tax of a similar nature.

"Individual Promoters" means Mr. V.N. Dhoot and Mr. P.N. Dhoot.

"Individual Promoter Guarantee" means the guarantee as detailed in clause 17A.1.

"Information Memorandum" means the document, if any, prepared or to be prepared in relation to this transaction by the Arranger, in consultation with the Borrower, containing relevant information (including projections) including, but not limited to, information about the Obligors and how the proceeds of the Facility will be applied, for distribution to banks and financial institutions and seeking their participation in the Facility, whether as an Original Lender or as a Lender. The Borrower shall approve this document before the Arranger distributes it to potential Lenders on the Borrower's behalf.

"Initial Interest Rate" means the Interest Rate agreed to be charged by ICICI Bank Limited as Tranche A Lender.

"Insurance Contract" means the insurance contracts and policies (including, but not limited to, third party liability insurances) required to be obtained by the Borrower in respect of its assets and its business, any substitutes therefore and any additional insurance contracts or policies required under any of the Finance Documents or as may be required by the Facility Agent.

"Interest Margin" means the rate per annum determined by each Lender prior to making its initial participation in its respective Loan available to the Facility Office, subject to clause 8.3A (*Changes to Interest Rate*)(if applicable). Interest Margin being charged by ICICI Bank Limited for this Facility would be 3.5%.

"Interest Rate" shall mean the aggregate of the Benchmark (prevailing on the relevant Utilisation Date or the Interest Reset Date) and the Interest Margin as applicable to each Loan and any applicable interest tax or other statutory levy. Subject to the Interest Margin remaining constant (other than as specified in clause 8.3A (*Changes to Interest Rate*)), the Interest Rate shall be reset on each Interest Reset Date at the then prevailing Benchmark and the Interest Rate shall be construed accordingly and notified to the Borrower by the Agent.

"Interest Reset Date" shall mean the date falling twelve (12) months from the First Utilisation Date (each such date an "Interest Reset Date").

"Interest Period" means, in relation to a Loan, each period determined in accordance with clause 9 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with clause 8.3 (*Default interest*).

"Intellectual Property" means all patents, trademarks, permits, service marks, brands, trade names, trade secrets, proprietary information and knowledge, technology, computer programs, databases, copyrights, licences, franchises, formulae, designs, rights of confidential information and all other intellectual property.

"Intellectual Property Rights" mean all rights, benefits, title or interest in or to any Intellectual Property, anywhere in the world (whether registered or not and including all applications for the same).

"Lender" means collectively, Tranche A Lender and Tranche B Lender, or either one of them, as may be contractually applicable.

"Lender's Commitment" means the aggregate of Tranche A Commitment and/or Tranche B Lender.

"Loan" means collectively, Tranche A Loan and Tranche B Loan or either one of them, as may be contractually applicable.

"Majority Lenders" means:

- (a) if there are no Loans then outstanding, a Lender or Lenders whose Commitments aggregate to 66^{2/3}% or more of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated to 66^{2/3}% or more of the Total Commitments immediately prior to the reduction); or
- (b) at any other time, a Lender or Lenders whose participations in the Loans then outstanding aggregate 66^{2/3}% or more of all the Loans then outstanding.

"Material Adverse Effect" means the effect or consequence of any event or circumstance which is or is likely to be:

- a) any material adverse change having occurred in any of the business, condition (financial or otherwise), operations, performance, properties or prospects of the Borrower and Corporate Promoters since March 31, 2010, for DSRA Shortfall Undertaking Provider, September 30, 2009 and for Personal Guarantors, December 31, 2009 including downgrade of its credit rating, if any;
- (b) any circumstance, change or condition (including the continuation of an existing condition) in the domestic commercial bank, loan syndication, financial or capital markets, political or economic conditions, in the sole opinion of the Arranger, would materially affect syndication and conclusion of the Facility;

- (c) any pending or threatened litigation, investigation or proceeding that may have a material adverse effect on the business, condition (financial or otherwise), operations, performance, properties or prospects of the Obligor or that purports to affect the Facility or the transactions contemplated thereby.

"Maximum Lending Rate" means two (2) per cent above the applicable Interest Rate(s) (excluding interest tax or any other statutory levies) for each Loan as specified in clause 8.1 (*Calculation of interest*) or such other rate of interest as may be specified to the Borrower by the Agent on behalf of the Lenders from time to time as the respective Lender's Maximum Lending Rate.

"Month" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last Month of any period.

"NDU" means the non-disposal undertaking-cum-power of attorney arrangement

"NDU Agency Agreement" means an agreement in pursuance to the Promoter NDU to appoint the NDU Agent.

"NDU Agent" means the person appointed to act as such under the NDU Agency Agreement.

"New Lender" has the meaning given to it in clause 24.1 (*Transfer of Rights and Obligations of the Lender*).

"NDU Providers" means Domebell Electronics India Private Limited and Platinum Appliances Private Limited (formerly known as Dhoot Brothers Investment Company Private Limited).

"Obligor" means the Borrower, any other person who is a party to a Security Document/ Contractual Comfort Document (excluding any Finance Party and the attorney as appointed in accordance with the Promoter NDU) and/or any other person who may provide a guarantee, an indemnity, undertakings or any form of Security/ Contractual Comfort to secure any of the obligations of the Borrower under or pursuant to any Finance Document.

"Original Financial Statements" means, in relation to any Obligor, its audited consolidated financial statements for the financial year ended March 31 for all Obligor other than the DSRA Shortfall Undertaking Provider for which it would be September 30.

"Party" means a party to this Facility Agreement.

"Permitted Borrowings" means borrowings as defined under Schedule 10 (*Permitted Borrowings*).

"Permitted Disposals" means borrowings as defined under Schedule 11 (*Permitted Disposals*).

"Permitted Encumbrances" means the Security described in Part B of Schedule 9 (*Existing and Permitted Encumbrances*).

"Pledgors" mean Greenfield Appliances Private Limited and Synergy Appliances Private Limited;

"Promoter" means all together the Corporate Promoters and the Individual Promoters or any of them separately or in any combination.

"Promoter NDU" means the NDU provided by the NDU Providers jointly over the shares of the Borrower which have not been pledged in favour of the Security Trustee, in pursuance to the Facility.

"Purpose" shall have the meaning ascribed thereto in clause 3.1 of the Facility Agreement.

"Quotation Day" means, in relation to any period for which an Interest Rate is to be determined, the first day of that period.

"RBI" means the Reserve Bank of India established under the Reserve Bank of India Act, 1934.

"Reasonable Efforts" means when used with respect to a specific action, prompt, continuous and diligent efforts by the relevant person using the skills, experience and relevant resources such person has available to it, but not requiring such person to spend an amount of money or effort in connection with making such efforts which is in excess of what is reasonable in light of the industry, geographic location and such industry's customary practices in which such action is to occur;

"Relevant Percentage" means fifty one per cent.

"Restricted Payments" shall mean payment or declaration of any dividend on any shares, redemption of any shares or any other distribution to the shareholders or repayment of any debt subordinated to the Facility or any debt prior to its scheduled maturity.

"Repeating Representations" means each of the representations set out in clause 18 (*Representations*).

"Security" means a mortgage, charge, encumbrance, pledge, hypothecation, lien, security assignment or other security interest securing any obligation of any person or any other lien, agreement or arrangement (including any title retention or escrow arrangements) having a similar effect.

"Security Documents' means:

- (a) the Security Trustee documents;
- (b) any document as contemplated by clause 17 (*Security*);
- (c) any other document created from time to time which may create or evidence any Security to be provided by any person as security for any of the Borrower's obligations under any Finance Document; and

(d) any document designated as such from time to time by the Agent without reference to any other Finance Party.

"Security Trustee documents" means the letters exchanged, *inter alia*, between the Borrower, the Security Trustee and the Agent in relation to the appointment of the Security Trustee in respect of the Security Documents.

"Security Trustee" means the security trustee appointed as agent and trustee to act for and on behalf of the Finance Parties on terms and conditions contained in the Security Trustee documents.

"Special Bank Account" means the current account number 000705035473 opened with ICICI Bank Limited, Connaught Place branch, New Delhi.

"Specified Time" means a time determined in accordance with Schedule 6 (*Timetables*).

"Shareholding" means the fully paid up and issued equity voting capital.

"Subscriber Acquisition Cost" means the expenses incurred by the Borrower to acquire new subscribers along with the cost of the hardware required for each subscriber and installation of the same from the First Utilisation Date. Such a cost would also include reimbursement for the expenses incurred by the Borrower to acquire new subscribers along with the cost of the hardware required for each subscriber and installation of the same for a period of three (3) months prior to the First Utilisation Date subject to a maximum of rupees two billion (2,000,000,000).

"Subsidiary" means a subsidiary as defined under Section 4 of the Companies Act, 1956 of India.

"Syndication Date" shall mean the date, as detailed in clause 2.1A (*Syndication*).

"Tax" means all present or future taxes of any kind or nature whatsoever including, without limitation, income taxes, sales or value-added taxes, stamp taxes, levies, imposts, duties, fees, royalties and all deductions and withholdings as applicable under the laws of taxation together with any fines, penalties and interest payable in connection with any failure to pay or any delay in paying any of the same thereon and any restrictions or conditions resulting in an obligation to pay monies to a government or Governmental Agency..

"Total Commitments" means the aggregate of the Tranche A Commitments and the Tranche B Commitments.

"Total Tranche A Commitments" means the aggregate of Tranche A Commitments, not exceeding rupees two billion (2,000,000,000) as on the Effective Date.

"Total Tranche B Commitments" means the aggregate of Tranche B Commitments, not exceeding rupees eight billion (8,000,000,000) as on the Syndication Date.

"TRAI" means Telecom Regulatory Authority of India.

"TRAI Report" means the report on the addition of new registered subscribers issued every quarter.

"Tranche A Commitments" means:

- (a) in relation to an Original Lender, the amount set opposite its name under the heading "Commitment" in Schedule 1 (*Original Lenders*) Part I (*Tranche A Commitment*) and the amount of any other Commitment transferred to it under this Agreement;
- (b) in relation to any other Lender, the amount of any Commitment transferred to it under this Agreement; and
- (c) to the extent not cancelled, reduced or transferred by it under this Agreement.

"Tranche A Lender" means:

- (a) ICICI Bank Limited; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with clause 24 (*Changes to the Lenders*),

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

"Tranche A Loan" means each loan made or to be made by a Tranche A Lender corresponding to its Tranche A Commitment(s) or the principal amount outstanding for the time being of that loan.

"Tranche B Commitments" means:

- (a) in relation to an Original Lender, the amount set opposite its name under the heading "Commitment" in Schedule 1 (*Original Lenders*) Part II (*Tranche B Commitments*) or the amount of commitment mentioned in the Accession Deed and the amount of any other Commitment transferred to it under this Agreement;
- (b) in relation to any other Lender, the amount of any Commitment transferred to it under this Agreement; and
- (c) to the extent not cancelled, reduced or transferred by it under this Agreement.

"Tranche B Lender" means:

- (a) an Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with clause 24 (*Changes to the Lenders*),

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

"Tranche B Loan" means each loan made or to be made by a Tranche B Lender corresponding to its Tranche B Commitment(s) or the principal amount outstanding for the time being of that loan.

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 4 (*Form of Transfer Certificates*) or any other form as determined by the Agent without reference to any other Finance Party.

"Transfer Date" means, in relation to a transfer, the later of:

- (i) the proposed Transfer Date specified in the Transfer Certificate; and
- (ii) the date on which the Agent executes the Transfer Certificate.

"Unpaid Sum" means any outstanding sum to be paid by an Obligor under the Finance Documents, whether or not the same sum is due and payable.

"Utilisation" means a utilisation of the Facility.

"Utilisation Date" means the date of a Utilisation, being the date on which the relevant Loan is made or is to be made.

"Utilisation Request" means a notice substantially in the form set out in Schedule 3 (*Utilisation Request*).

1.2 Construction

(a) Unless a contrary indication appears, any reference in this Agreement to:

- (i) the **"Agent"**, the **"Security Trustee"**, the **"Arranger"**, any **"Lender"**, any **"Finance Party"**, the **"Borrower"**, any **"Obligor"**, any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns, entity which accedes to the Facility and permitted transferees including persons who become a party through the process of novation;
- (ii) an **"agency"** includes any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (iii) an **"amendment"**, apart from a change, includes a supplement, modification, replacement or re-enactment and "amended" is to be construed accordingly;
- (iv) **"assets"** include all properties whatsoever both present and future, (whether tangible, intangible or otherwise, including Intellectual Property and Intellectual Property Rights), investments, cash-flows, revenues, rights, benefits, interests, actionable claims and title of every description;
- (v) an **"authorisation"** includes an express authorisation, consent, clearance, approval, permission, resolution, licence, exemption, filing and registration;
- (vi) an **"authorised signatory"** means a person that has been duly authorised by another person (the "other person") through a board resolution, a power of attorney, or through a similar authorising document specific for the person, to execute or sign any Finance Document (or other document or notice to be executed or signed by the other person under or in connection with any Finance Document) on behalf of that other person;
- (vii) **"control"** includes the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise;

- (viii) a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated or supplemented including any waiver or consent granted in respect of any term of any Finance Document;
 - (ix) a "**guarantee**" also includes an indemnity and any other obligation (whatever called) of any person to pay, purchase, provide funds (whether by the advance of money, the purchase of or subscription for shares or other securities, the purchase of assets or services or otherwise) for the payment of, indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of any other person (and "guaranteed" and "guarantor" shall be construed accordingly);
 - (x) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (xi) "**law**" includes any constitution, statute, law, rule, regulation, ordinance, judgement, order, decree, authorisation, or any published directive, guideline, requirement or governmental restriction having the force of law, or any determination by, or interpretation of any of the foregoing by, any judicial authority, whether in effect as of the Effective Date or thereafter and each as amended from time to time.
 - (xii) "**person**" includes an individual, corporation, partnership, joint venture, association of persons, trust, unincorporated organisation, government (central, state or otherwise), sovereign state, or any agency, department, authority or political subdivision thereof, international organisation, agency or authority (in each case, whether or not having separate legal personality) and shall include their respective successors and assigns/novatees and entities who accede to the Facility and in case of an individual shall include his legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees for the time being.
 - (xiii) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having the force of law, which is generally complied with by those to whom it is addressed) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
 - (xiv) "**repayment**" includes "redemption" and vice-versa and any other form of settlement and repaid, repayable, repay, redeemed, redeemable and redemption shall be construed accordingly.
 - (xv) after the "**IFRS Date**", all references to GAAP would have to be construed as references to IFRS.
- (b) clause and Schedule headings are for ease of reference only and shall not affect the interpretation of any term of this Agreement.

- (c) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.
- (d) A Default (other than an Event of Default) is **“continuing”** if it has not been remedied or waived and an Event of Default is **“continuing”** if it has not been waived.
- (e) Reference to the words **“include”** or **“including”** shall be construed without limitation.
- (f) In the event of any disagreement or dispute between any Finance Party and the Borrower regarding the materiality of any matter including any event, occurrence, circumstance, change, fact, information, document, authorisation, proceeding, act, omission, claims, breach, default or otherwise, the opinion of Majority Lenders in relation to its respective Loan as to the materiality of any of the foregoing shall be final and binding on the Borrower.
- (g) Words importing the singular number shall include the plural and vice- versa.
- (h) Reference to a gender shall include references to the female, male and neuter genders;
- (i) All approvals, permissions, consents or acceptance required from the Lenders for any matter shall require the “prior”, “written” approval, permission, consent or acceptance of the Lenders.
- (j) the words ‘hereof’, ‘herein’, and ‘hereto’ and words of similar import when used with reference to a specific clause or Sub-clause in, or Schedule to, the Facility Agreement shall refer to such clause or Sub-clause in, or Schedule to, the Facility Agreement and when used otherwise than in connection with specific clauses, Sub-clauses or Schedules, shall refer to the Facility Agreement as a whole;

1.3 Third Party Rights

- (a) Except as provided in a Finance Document, the terms of a Finance Document may be enforced and enjoyed only by a party to the Finance Document.
- (b) Notwithstanding any provision of any Finance Document, the consent of any person who is not a party to a Finance Document is not required to vary, rescind or terminate that Finance Document.

2. THE FACILITY

2.1 The Facility

Subject to the terms of this Agreement the Lenders agree to make available during the Availability Period to the Borrower term loan facilities as per their Commitments up to an aggregate amount not exceeding the Total Commitments.

2.1A Syndication

- (a) Subject to the Commitments, the Arranger shall endeavour to arrange the Tranche B Loan up to a maximum of rupees eight billion (8,000,000,000) ("**Proposed Commitment**") on a Reasonable Effort basis within one hundred and twenty (120) days from the date of the Information Memorandum or such date as may be mutually agreed to between the Parties ("**Syndication Date**"). The new Lenders who would be providing a commitment for the Tranche B Loan would accede to this Facility through an Accession Deed. The Borrower agrees that any new lender would accede through the Accession Deed and no separate consent of the Borrower would be required for the same. The Facility Agent would inform the Borrower of the Interest Rate being charged by the new lender.
- (b) In case the Arranger is unable to raise the entire amount of the Proposed Commitment, the Borrower would be allowed to raise such amount as additional debt ("**Additional Debt**") on terms approved by the Arranger (such approval will not be unreasonably withheld).
- (c) The Arrangers shall, in consultation with the Borrower, manage all aspects of syndication of the Facility.
- (d) The Borrower shall ensure that the other Obligors, give any assistance which the Arranger reasonably requires in relation to the syndication of the Facility including, but not limited to:
 - (i) the preparation, with the assistance of the Arranger, of an Information Memorandum.
 - (ii) providing any information reasonably requested by the Arranger or potential Lenders in connection with syndication;
 - (iii) making available the senior management, representatives and any other members of the Obligors for the purposes of giving presentations to, and participating in meetings with, potential Lenders at such times and places as the Arranger may reasonably request;
 - (iv) utilising the existing lending relationships of the Obligors to benefit the syndication of the Facility;
 - (v) making any amendments to the Finance Documents which the Arranger reasonably request on behalf of potential Lenders.

2.2 Finance Parties' rights and obligations

- (a) The obligations of each Finance Party under the Finance Documents are distinct and several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents. For the avoidance of any doubt, in the event of all the Loans under the Facility being provided by a single Lender to the Borrower, notwithstanding anything contained to contrary in any Finance Documents, such a Lender shall have the discretion for exercising any rights, action, commission, waiver in relation to a single Loan under this Agreement without prejudice to any rights available to it for the other Loans under the Facility. Further, any such action, commission, waiver by such a Lender under a Loan shall not amount to a similar action, commission, waiver by such Lender under the other Loans unless expressly stated so by the Lender and notified in writing to the Borrower.

- (b) The rights of each Finance Party under or in connection with the Finance Documents are separate, distinct and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor, whether such debt was originally contracted as such or was acquired from another Finance Party by a transfer, in whole or in part, from such other Finance Party of the debt due to it by the Obligor, shall be a separate and independent debt.
- (c) A Finance Party may with respect to its respective Loan, except as otherwise stated in the Finance Documents, separately enforce its rights under the Finance Documents.

3. PURPOSE

3.1 Purpose

The Borrower shall apply all amounts borrowed by it under the Facility subject to applicable laws, regulations and guidelines towards:

- (i) Subscriber Acquisition Cost, and
- (ii) expenses in relation to the Facility,

provided that the proceeds of each Loan should not be applied for capital market activities, real estate activities, acquisition of domestic companies, buyback of the Borrower shares, payment of dividends and may only be so applied in or towards any such purpose to the extent the same is in compliance with any end-use requirements stipulated under all applicable laws and regulations.

3.2 Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

Subject to clause 4.5(a) (*Change of terms prior to the first Utilisation Request*), the Borrower shall not deliver a Utilisation Request unless the Agent has received all of the documents and other evidence listed in, and appearing to comply with, the requirements of Part I to Schedule 2 (*Conditions Precedent to Initial Utilisation*) and, in relation to the second and all subsequent Utilisations, Part II to Schedule 2 (*Conditions Precedent to second and subsequent Utilisations*), in form and substance satisfactory to the Agent. The Agent shall notify the Borrower and the Lenders promptly upon being so satisfied. The Borrower may deliver a Utilisation Request on the same day as the confirmation from the Agent. The Utilisation would be provided within 3 days of the Utilisation Request or any other shorter period as acceptable to the Lenders.

4.2 Further conditions precedent

The Lenders will only be obliged to comply with clause 5.4 (*Lenders' participation*) if on the date of the relevant Utilisation Request and on the relevant proposed Utilisation Date:

- (a) no Default has occurred and is continuing or would occur as a result of the proposed Utilisation;
- (b) no change of Control has occurred in relation to the Borrower; and
- (c) the Repeating Representations to be made by each of the Obligors are true and will not become untrue as a result of making the proposed Utilisation.

4.3 Waiver

The conditions specified in clauses 4.1 (*Initial conditions precedent*) and 4.2 (*Further conditions precedent*) are inserted solely for the benefit of the Lenders and may be waived by any Lender in respect of its Loan by notifying the same in writing to the Borrower and the other Lenders within 2 days from undertaking such a waiver, in whole or in part and with or without conditions, without prejudicing the rights of the other Lenders to require fulfilment of such conditions in whole in respect of any other Utilisation. If compliance with any of the conditions specified in clauses 4.1 (*Initial conditions precedent*) and 4.2 (*Further conditions precedent*) is so waived with conditions or on condition that the Borrower shall comply at or before a particular time, the Borrower shall so comply.

4.4 Maximum number of Loans

The Borrower may not deliver more than twenty five (25) Utilisation Requests.

4.5 Change of terms prior to the first Utilisation Request

- (a) At any time prior to the delivery of the first Utilisation Request, the Arranger or the Agent (acting on the instructions of any Finance Party) may give notice to the Borrower stating that the relevant Finance Party(ies) has/have determined that a change has occurred since the Effective Date in one or more of the items described below which has or may have a Material Adverse Effect.
 - (i) the businesses, operations, projects or financial condition of any Obligor or any other person (excepting each Finance Party) who is party to any Finance Document; or
 - (ii) the international, Indian or domestic (where domestic means the location where the Agent is located):
 1. capital;
 2. loan syndication;
 3. general banking;
 4. general financial;
 5. loan and debt securities; or
 6. markets.
- (b) Where the Agent has given such a notice, the Borrower may not deliver any Utilisation Request (and no Lender shall have any obligation under clause 2.1(The *Facility*)) unless and until the Borrower and the Finance Parties have agreed in writing to amend any of the terms of any Finance Document as any Finance Party may wish to propose.

4.6 Market Flex

Each of the Lenders or the Arranger in consultation with the Lenders has the right up to the close of syndication or the Syndication Date, to alter any or all the terms, structure, tenor, amount and pricing of its respective Loan(s) (but not the Total Commitment) if such changes are advisable in such Lenders' or the Arranger's judgment and by notifying the same in writing to the other Lenders within 5 days from undertaking such an action. If any of the Lenders determine that such changes are necessary, it or they or the Agent will consult with the Borrower for a period of up to five (5) Business Days about such changes. If the Borrower does not accept such changes after such period, each of the Lenders will be entitled to terminate their respective Commitments and/or accelerate their respective Loan. If the Borrower does accept the changes suggested, it shall ensure that each other Obligor shall amend the Finance Documents to reflect the changes.

5. UTILISATION

5.1 Delivery of a Utilisation Request

The Borrower may utilise the Facility by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time.

5.2 Completion of a Utilisation Request

- (a) Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:
- i. the proposed Utilisation Date is a Business Day within the Availability Period;
 - ii. the currency and amount of the Utilisation comply with clause 5.3 (Currency and amount);
 - iii. the proposed Interest Period complies with clause 9 (Interest Periods); and
 - iv. it specifies the details of the Special Bank Account (with regard to the Utilisation Request for the First Utilisation). With regard to the subsequent Utilisation Requests, it should confirm the details of the Special Bank Account.
- (b) Only one Loan may be requested in each Utilisation Request.

5.3 Currency and amount

- (a) The currency specified in an Utilisation Request must be rupees.
- (b) The amount of the proposed Utilisation must be an amount which is not more than the Available Facility and which is a minimum of rupees four hundred million (400,000,000) and thereafter, in integral multiples of rupees two hundred million (200,000,000) or, if less, the Available Facility. Except for the reimbursements for the cost incurred by the Borrower for acquiring subscribers for a period of 3 months prior to the First Utilisation Date, as stipulated in the definition of 'Subscriber Acquisition Cost', for every proposed Utilisation of rupees two hundred million (200,000,000) the Borrower would have to submit a statutory auditor's certificate and a director's certificate confirming that they have obtained an additional 100,000 subscribers.

- (c) The Parties agree that the addition of subscribers would be evidenced by a statutory auditor's certificate and confirmed by the directors of the Borrower.
- (d) All the collection charges, if any, in relation to the Utilisations will be borne by the Borrower.

5.4 Lenders' participation

- (a) The Borrower will first avail of the entire Tranche A Loan before borrowing any portion of the Tranche B Loan.
- (b) If the conditions set out in this Agreement have been met, then subject to sub-clause (a) above, each Lender shall make its participation in its respective Loan available by the Utilisation Date through its Facility Office.
- (c) The amount of each Lender's participation in each Loan will be equal to the proportion borne by its Available Commitment to the Available Facility immediately prior to making the Loan.
- (d) The Agent shall notify each Lender of the amount of each Loan and the amount of its participation in that Loan by the Specified Time.

5A: CONDITIONS SUBSEQUENT

- (i) The Borrower shall provide an End-Use Certificate from the statutory auditor within a period of 45 days from respective Utilisation Date.
- (ii) Creation of Security as required in accordance with clause 17 (*Security*).
- (iii) Receipt of TRAI approval for assignment of DTH License within 180 days of the First Utilisation Date.
- (iv) A receipt of a no-objection certificate from Existing Creditors along with their respective pari-passu letter within 60 days from the First Utilisation Date
- (v) Receipt of income tax certificate u/s 281 of the Income Tax Act within 60 days from the First Utilisation Date.
- (vi) Subject to provisions of the Companies Act, 1956, filing of form 8 for first pari passu charge on movable property of the Borrower and the charge over immovable property of the Borrower, within 60 days from the First Utilisation Date.
- (vii) The Borrower will ensure that DSRA Shortfall Undertaking Provider provides all relevant corporate authorisations for providing the Additional Guarantee, including the relevant resolutions under section 372A of the Companies Act, 1956.

(viii) The Borrower shall forthwith provide its sign off on the Information Memorandum, as soon as it is called upon to do so.

6. REPAYMENT

6.1 Repayment of Loans

The Borrower undertakes to repay the principal amount of the Facility in accordance with the repayment schedule set out in Schedule 7 (*Repayment Schedule*) independently to each of the Lenders separately in relation to their respective Loans and further, in the event of all Loans being provided by a single Lender, such repayments shall be made by the Borrower separately to such Lender for such separate Loans, on a proportionate basis. If, for any reason, the amount finally disbursed by Lenders under this Agreement is less than the Total Commitments as at the Effective Date, the instalments set out in Schedule 7 (*Repayment Schedule*) shall stand reduced proportionately but shall be payable on the same dates as specified in the Schedule 7 (*Repayment Schedule*). Further, the Borrower shall notify in writing all the Lenders and the Agent of the details of any repayments made by the Borrower to any Lender in respect of the Loans.

6.2 Reborrowing

The Borrower may not reborrow any part of the Facility which is repaid or prepaid.

7. PREPAYMENT AND CANCELLATION

7.1 Illegality

If after the Effective Date, it is or will become unlawful for a Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in any Loan:

- a. that Lender shall promptly notify the Agent upon becoming aware of that event;
- b. upon the Agent notifying the Borrower, the Commitment of that Lender be immediately cancelled; and
- c. the Borrower shall repay that Lender's participation in the Loans made to the Borrower on the last day of the Interest Period for each Loan occurring after the Agent has notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law or any directive).

7.2 Change of control

If the Promoter and their associates cease to hold directly or beneficially at least the 51.0% of the voting share capital of the Borrower and control over the management of the Borrower:

- a. the Borrower shall promptly notify the Agent upon becoming aware of that event;

- b. a Lender shall not be obliged to fund a Utilisation; and
- c. if any individual Lender so requires, the Agent shall, by not less than 1 Business Days' prior notice to the Borrower and the other Lenders, cancel the respective Loan of such Lender and in consultation with and approval of the Majority Lenders in relation to their respective Loans, declare the outstanding Loans of the respective Lenders who have approved such action of the Agent, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable on the date specified in the notice, whereupon the Facility and the Total Commitments will be cancelled and all such outstanding amounts will become immediately due and payable.

7.3 Automatic cancellation

Any part of the Facility which remains undrawn at the end of the Availability Period shall be automatically and immediately cancelled and each Lender's Commitment then outstanding shall be reduced to zero. Further, the Borrower shall not cancel the Facility or any part thereof without the prior written approval from the Lenders with respect to their respective Loans. Notwithstanding any such cancellation all the provisions of the Facility Agreement, for the benefit or protection of the Lenders and their interest shall continue to be in full force and effect as specifically provided in the Facility Agreement.

7.4 Mandatory Prepayment of Loans

The Borrower shall prepay the whole or any part of any or all Loan(s) along with interest, expenses and costs accrued thereon, whether due or not, immediately on the happening of the relevant event, from

- (i) 100% of the proceeds from Insurance Contracts (net of applicable expenses and taxes) exceeding rupees one hundred million (100,000,000) in any financial year, subject to re-investment rights (such reinvestments can only be in the existing business of the Borrower); or
- (ii) 100% of the proceeds (net of applicable expenses and taxes) from the disposal of any assets (other than sale of assets in the ordinary course of business) or investments exceeding rupees one hundred million (100,000,000) in any financial year, subject to re-investment rights (such reinvestments can only be in the existing business of the Borrower), or
- (iii) 50% of the proceeds (net of applicable expenses and taxes) from sale of any equity shares of the Borrower by the Promoters, at the option of the Agent.

7.5 Voluntary prepayment of Loans

- (a) The Borrower may by not less than ten (10) Business Days' (or such shorter period as each Lender may agree for its Loan) prior written notice to the Agent, prepay the whole or any part of any Loan being a minimum of rupees one hundred million (100,000,000) and in the integral multiples of rupees ten million (10,000,000) in excess thereof or the balance outstanding Commitments.
- (b) A Loan may only be prepaid after the last day of the Availability Period (or, if earlier, the day on which the Available Facility is zero).

- (c) A Loan may only be prepaid under this clause 7.5 (*Voluntary prepayment of Loans*), without payment of any pre-payment premium or break cost, if prepaid on the Interest Reset Date for that Loan.
- (d) Any prepayment under this clause 7.5 (*Voluntary prepayment of Loans*) shall satisfy the obligations of the Borrower to be applied rateably among the participations of all Lenders.

7.6 Right of prepayment and cancellation in relation to a single Lender

- (a) If any Lender claims indemnification from the Borrower under clause 13.1 (Increased costs) the Borrower may, subject to sub-clause (c) below, whilst the circumstance giving rise to the requirement or indemnification continues give the Agent notice of cancellation of the Commitment of that Lender and its intention to procure the prepayment of that Lender's participation in the Loans.
- (b) On receipt of a notice referred to in sub-clause (a) above, the Commitment of that Lender shall immediately be reduced to zero.
- (c) Any notice of prepayment given by the Borrower under sub-clause (a) above shall only be valid if accompanied by evidence satisfactory to the Agent that all Authorisations necessary or desirable in connection with the proposed prepayment have been obtained and are in full force and effect.
- (d) On the last day of each Interest Period which ends after the Borrower has given notice under sub-clause (a) above (or, if earlier, the date specified by the Borrower in that notice), the Borrower shall prepay that Lender's participation in that Loan.

7.7 Restrictions

- a. Any prepayment under this Agreement shall only be made subject to the same being permitted under applicable law and regulation.
- b. Any notice of cancellation or prepayment given by any Party under this clause 7 (*Prepayment and Cancellation*) shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.
- c. Unless the prepayment is made in accordance with clause 7.5 (c) and 7.4 (*Mandatory Prepayment of Loans*), any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and the payment of a prepayment premium applicable on the date of prepayment as a percentage % of the amount prepaid and, shall also be subject to Break Costs as applicable.
- d. The Borrower shall not re-draw any part of the Facility, which is prepaid.
- e. The Borrower shall not repay or prepay all or any part of the Loans or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.
- f. No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

- g. If the Agent receives a notice under this clause 7 (*Prepayment and Cancellation*) it shall promptly forward a copy of that notice to either the Borrower or the affected Lender, as appropriate.

Any prepayment under this clause 7 shall satisfy the obligations of the Borrower under clause 6.1 (*Repayment of Loans*) in reverse order of maturity and be applied rateably among the participations of all Lenders.

8. INTEREST

8.1 Calculation of interest

The Interest Rate on each Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable;

- (a) Interest Margin; and
- (b) Benchmark.

8.1A The Interest Rate for every new lender (acceding to the Facility by signing the Accession Deed in the form set out in Schedule 12 (*Form of Accession Deed*) or through the Transfer Certificate as set out in Schedule 4 (*Form of Transfer Certificate*), in accordance with clause 24 (*Changes to Lenders*) of this Facility Agreement) on each Loan be equal to the Initial Interest Rate (as applicable for the specific Interest Period on which the new lender makes its initial participation in its respective Loan available to the Facility Office). The new Lender would accordingly fix its Interest Margin for the Facility. The new lender would have the right to alter its Interest Rate on every subsequent Interest Reset Date.

8.2 Payment of interest

The Borrower shall pay accrued interest on each Loan to each Lender with respect to its Loan on the last day of each Interest Period (and, if the Interest Period is longer than one Month, on the dates falling at monthly intervals after the first day of that Interest Period) and such interest shall be calculated on the basis of the actual number of days elapsed in a year of 365 days.

8.3 Default Interest

- (a) If the Borrower
 - (i) fails to pay any amount payable by it under a Finance Document on its Due Date, interest shall accrue on the amount over which the default has been committed from the Due Date up to the date of actual payment (both before and after judgment); or
 - (ii) commits any other Default, interest shall accrue on the outstanding principal amount until such default is either cured or waived;
- at a rate which, subject to sub-clauses (b) and (c) below, is the Maximum Lending Rate (on the basis that the Unpaid Sum had, during the period of non-payment, constituted a Loan in the currency of the Unpaid Sum for successive Interest Periods, each of a duration selected by the Agent). Any interest accruing under this clause 8.3 shall be immediately payable by the Borrower.

- (b) If any Unpaid Sum consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:
 - (i) the first Interest Period for that Unpaid Sum shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and
 - (ii) the rate of interest applying to the Unpaid Sum during that first Interest Period shall be the Maximum Lending Rate.
- (c) Default interest pursuant to sub-clause (a) above (if unpaid) arising on an outstanding principal amount will be compounded with the overdue amount at the end of each Interest Period applicable to that Unpaid Sum but will remain immediately due and payable.
- (d) The Borrower acknowledges that the rates of further interest, default interest and liquidated damages under clause 8.3 (*Default Interest*) hereof are reasonable and that they represent genuine pre-estimates of the loss expected to be incurred by the Lenders in the event of non payment of any monies by the Borrower.
- (e) The Borrower acknowledges that the Facility provided under this Agreement is for a commercial transaction and waives any defence available under usury or other laws relating to the charging of interest by the Lenders.

8.3A Changes to the Interest Rate:

- (a) Subject to clause 8.1A, the Interest Margin may be appropriately reset, prior to December 31, 2010, in case there is a change in the Benchmark in pursuance to the change in the methodology for computation of the Benchmark according to the 'Guidelines on Base Rate', issued by RBI on April 09, 2010.
- (b) Notwithstanding anything in this Agreement, the Lenders would have the sole discretion to change the Interest Rate as on the Interest Reset Date, by altering their respective Benchmark. The Interest Margin will remain the same until all Unpaid Sums have been repaid.

8.4 Notification of rates of interest

The Agent shall promptly notify in writing all the Lenders and the Borrower of the determination / change of Interest Rate for a Loan by any Lender under this Agreement.

9 INTEREST PERIODS

9.1 Duration of Interest Periods

- (a) No Interest Period for a Loan shall extend beyond the Final Repayment Date.
- (b)
 - (i) Subject to sub-clause (a) above and sub-clause (iii) below, all Interest Periods shall have a duration of (1) one Month.

- (ii) Each Interest Period for a Loan shall start on the relevant Utilisation Date or (if that Loan has already been made) on the last day of the preceding Interest Period for such Loan.
- (iii) The first Interest Period for the first Loan shall end on the day falling 1 (one) Month after the Utilisation Date. The first Interest Period for each other Loan shall end on the same day as the then current Interest Period for the first Loan ends.

9.2 Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

10. Break Costs

- (a) The Borrower shall, within three Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by the Borrower on a day other than the Interest Reset Date for that Loan or Unpaid Sum.
- (b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

11 Fees

11.1 Processing fee

The Borrower shall pay to the Arranger (for its own account) a processing fee in the amount and at the times agreed in the relevant Fee Letter

12 TAX GROSS UP AND INDEMNITIES

12.1 Definitions

- (a) In this Agreement:

"**Tax Credit**" means a credit against, relief or remission for, or repayment of any Tax.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Finance Document.

"**Tax Payment**" means either the increase in a payment made by the Borrower to a Finance Party under clause 12.2 (*Tax gross-up*) or a payment under clause 12.3 (*Tax indemnity*).

- (b) Unless a contrary indication appears, in this clause 12 (*Tax gross-up and Indemnities*) a reference to "determines" or "determined" means a determination made in the discretion of the person (acting reasonably) making the determination.

12.2 Tax gross-up

- (a) All payments to be made by the Borrower to any Finance Party under or in connection with a Finance Document shall be made free and clear of and without any Tax Deduction, unless a Tax Deduction is required by law in which case the sum payable by the Borrower shall be increased to the extent necessary to ensure that the Finance Party concerned receives a sum, net of any Tax Deduction, equal to the sum which it would have received had no Tax Deduction been required.
- (b) The Borrower shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Borrower.
- (c) If the Borrower is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
- (d) Within 7 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Borrower shall deliver to the Agent for the Finance Party entitled to the payment an original receipt (or certified copy thereof) evidencing to the reasonable satisfaction of that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment has been paid to the relevant taxing authority.

12.3 Tax indemnity

- (a) Without prejudice to clause 12.2 (*Tax gross-up*), if any Finance Party is required to make any payment of or on account of Tax on or in relation to any sum received or receivable under or in connection with the Finance Documents (including any sum deemed for purposes of Tax to be received or receivable by such Finance Party, whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against any Finance Party, the Borrower shall (within 1 Business Days of demand by the Agent) indemnify the Finance Party which determines it has suffered a loss or liability as a result against such payment or liability together with any interest, penalties, costs and expenses payable or incurred in connection therewith.
- (b) The Lender(s) shall notify the Borrower of the event by reason of which it is entitled to in accordance with clause 12.3 (a).

The Borrower shall:

- (a) pay when due all Taxes required by law to be deducted or withheld by it from any amounts paid or payable under the Finance Documents;
- (b) within 7 days of the payment being made, deliver to the Lender evidence satisfactory to the Lender (including all relevant Tax receipts) that the payment has been duly remitted to the appropriate authority; and
- (c) forthwith on demand indemnify the Lender against any loss or liability, which the Lender incurs as a consequence of the non-payment in full or in part, of those taxes.
- (d) A Finance Party making, or intending to make a claim under sub-clause (a) above shall promptly notify the Agent of the event which will give, or has given, rise to the claim, whereupon the Agent shall notify the Borrower.

- (e) A Finance Party shall, on receiving a payment from the Borrower under this clause, notify the Agent.

12.4 Tax Credit

If the Borrower makes a Tax Payment and the relevant Finance Party determines that:

- (a) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part of that Tax Payment; and
- (b) that Finance Party has obtained, utilised and fully retained that Tax Credit on an affiliated group basis,

the Finance Party shall pay an amount to the Borrower which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Borrower.

12.5 Stamp taxes

Any stamp duty, registration and other similar Taxes applicable in any relevant jurisdiction in connection with any Finance Document shall be for the account of the Borrower. Without prejudice to the aforesaid provision, the Borrower shall pay and, within 2 Business Days of demand, indemnify each Finance Party against any cost, loss or liability that Finance Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

12.6 Indirect Tax

- (a) All consideration expressed to be payable under a Finance Document by any Party to a Finance Party shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made or any services rendered by any Finance Party to any Party in connection with a Finance Document, that Party shall pay (unless that Party is the Agent, or the Arranger, in which case the Borrower shall pay) to the Finance Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.
- (b) Where a Finance Document requires any Party to reimburse a Finance Party for any costs or expenses, that Party shall also at the same time pay and indemnify the Finance Party against all Indirect Tax incurred by the Finance Party in respect of the costs or expenses.

12.7 Continuing Obligations

The obligations of the Borrower contained in this clause 12 (*Tax gross-up and Indemnities*) shall survive novation / transfer / assignment / participation by any Lender(s) to a new Lender(s) and also the payment in full of the Loan.

13 INCREASED COSTS

13.1 Increased costs

- (a) Subject to clause 13.3 (*Exceptions*) the Borrower shall, within 2 Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation, (ii) compliance with any law or regulation made after the Effective Date and/or (iii) change in the risk weightage to the loans/ exposure, as may be prescribed by the RBI. The terms "law" and "regulation" in this sub-clause (a) shall include any law or regulation concerning capital adequacy, prudential limits, liquidity reserve assets or Tax.
- (b) In this Agreement “**Increased Costs**” means:
- (i) a reduction in the rate of return from the Facility or on a Finance Party’s (or its Affiliate’s) overall capital (including as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by that Finance Party or one of its Affiliates);
 - (ii) an additional or increased cost; or
 - (iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document.

13.2 Increased cost claims

- (a) A Finance Party intending to make a claim pursuant to clause 13.1 (*Increased Costs*) shall notify the Agent of the event giving rise to the claim, following which the Agent shall promptly notify the Borrower.
- (b) Each Finance Party shall, as soon as practicable after a demand by the Agent, provided a certificate confirming the amount of its Increased Costs.

13.3 Exceptions

- (a) clause 13.1 (*Increased costs*) does not apply to the extent any Increased Cost is:
- (i) attributable to a Tax Deduction required by law to be made by the Borrower; and
 - (ii) compensated for by clause 12.3 (*Tax indemnity*)
- (b) In this clause 13.3, a reference to a “Tax Deduction” has the same meaning given to the term in clause 12.1 (*Definitions*).

14 OTHER INDEMNITIES

14.1 Other indemnities

The Borrower shall, within 2 Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by that Finance Party as a result of:

- (a) the occurrence of any Event of Default;
- (b) the Information Memorandum or any other information produced or approved by any Obligor being (or being alleged to be) incorrect, misleading and/or deceptive in any respect;
- (c) any enquiry, investigation, subpoena (or similar order) or litigation with respect to any Obligor or with respect to the transactions contemplated or financed under this Agreement;
- (d) a failure by the Borrower to pay any amount due under a Finance Document on its Due Date and in the relevant currency, including any cost, loss or liability arising as a result of clause 28 (Sharing among the Finance Parties);
- (e) funding, or making arrangements to fund, its participation in a Loan requested by the Borrower in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of wilful default or gross negligence by that Finance Party alone); or
- (f) a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower.

14.2 Indemnity to the Agent

The Borrower shall promptly indemnify the Agent on demand against any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:

- (a) investigating any event in case of a payment Default; or
- (b) acting or relying on any notice, request or instruction which it believes to be genuine, correct and appropriately authorised.

15 MITIGATION BY THE LENDERS

15.1 Mitigation

- (a) Each Finance Party shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of clause 7.1 (Illegality), clause 12 (Tax gross-up and indemnities) or clause 13 (Increased costs) including transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.
- (b) Sub-clause (a) above does not in any way limit the obligations of the Borrower under the Finance Documents.

15.2 Limitation of liability

- (a) The Borrower shall indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under clause 15.1 (Mitigation).
- (b) A Finance Party is not obliged to take any steps under clause 15.1 (Mitigation) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

16 COSTS AND EXPENSES

16.1 Transaction expenses

The Borrower shall promptly on demand pay the Agent and/or the Arranger the amount of all costs and expenses (including legal fees) incurred by any of them in connection with the negotiation, preparation, printing, execution, delivery, modification and syndication of:

- (a) this Facility Agreement and any other documents referred to in this Facility Agreement; and
- (b) any other documents (including any Finance Documents) prepared and/or executed either prior to, at or after the Effective Date.

16.2 Amendment costs

If the Borrower requests an amendment, waiver or consent, the Borrower shall, within 1 Business Days of demand, reimburse the Agent for the amount of all costs and expenses (including legal fees) incurred by the Agent in responding to, evaluating, negotiating or complying with that request or requirement.

16.3 Enforcement costs

The Borrower shall, within 2 Business Days of demand, pay to each Finance Party the amount of all costs and expenses (including legal fees) incurred by that Finance Party in connection with the preservation of the Borrower's assets or such other assets that comprise the security for the Facility, and/or enforcement of, or the preservation of any rights under, any Finance Document. All the collection/remittance charges applicable in relation to the Utilisation Requests will be borne by the Borrower.

16.4 Borrower's costs

The Borrower shall itself bear any costs and expenses incurred by it which are similar to those costs and expenses contemplated in clauses 16.1 (*Transaction expenses*) to 16.3 (*Enforcement Costs*) above.

16.5 The Borrower shall, bear all interest tax as may be levied from time to time under the Interest Tax Act 1974 and all other imposts, duties and taxes (of any description whatsoever) as may be levied from time to time by the Government or other agency pertaining to or in connection with the Facility.

16.6 The Borrower shall pay all costs, charges (including legal fees, cost of investigation of title of the Borrower assets and protection of the Lender's interests) and expenses in any way incurred by the Agent/ Lenders and such stamp duty, other duties, taxes, charges and penalties if and when the Borrower is required to pay according to the laws for the time being in force.

16.7 In the event of the Borrower failing to pay the monies referred to in sub clauses 16.1 to 16.6 above, the Agent on behalf of the Lenders will be at the liberty (but shall not be obliged) to pay the same. The Borrower shall reimburse all sums paid by the Agent or the Lenders in accordance with the provisions contained herein. Further, in case of any default by the Borrower in making such reimbursements as per the demand of the Agent or the Arranger as the case may be, the Borrower shall also pay on such defaulted amounts, liquidated damages at the rate of 2.1 per cent per annum from the expiry of such time of demand made on the Borrower till the date of actual reimbursement of such reimbursements.

17 SECURITY

17.1 Charges, credit comforts, etc.

- (a) The Facility together with all interest, liquidated damages, up front fee, premia on prepayment, costs, charges, expenses and other monies whatsoever, and the payment and other obligations of the Borrower under the Finance Documents, shall be secured by:
- (i) Charge over the entire movable assets (except any Intellectual Property), including all rights, title and interest of the Borrower both present and future ("**Borrower Movable Asset Charge**"); The ranking of the charge would be a subservient charge, subservient to all the existing charges on the same. After obtaining the no objection certificate from the Existing Creditors, the e-form 8 would have to be modified to reflect first *pari passu* charge with the Existing Creditors
 - (ii) Subject to clause 21.24 (*Maintenance of DSR*), charge over DSRA ("**DSRA Charge**");
 - (iii) Charge over the Escrow Account ("Escrow Charge");
 - (iv) pledge of 30% of the Shareholding in the Borrower by the Pledgors at all times till all payments under the Facility have been made. ("**Borrower Pledge**");
 - (v) mortgage over the entire immovable assets, including all rights, title and interest of the Borrower both present and future ("**Borrower Immovable Asset Charge**");
 - (vi) assignment by way of security of the rights of the Borrower under the DTH License ("**DTH Assignment**").
- (b) The mortgage/charge/pledges/ assignment of rights by way of security/ security interest in pursuance to this Agreement shall be created in favour of the Security Trustee, in a form and manner satisfactory to the Security Trustee and as per the directions of the Agent;
- (c) The Security listed above 17.1 (a) (i) to (iv) shall be created and form 8 will be filed (to the extent of a subservient charge for Borrower Movable Asset Charge) prior to First Utilisation Date.
- (d) The mortgage listed in clause 17.1 (a) (v) shall be created and perfected within sixty (60) days from the First Utilisation Date.
- (e) The assignment by way of security, as mentioned in 17.1 (a) (vi) shall be effective within a maximum of one hundred and eighty days (180) from the First Utilisation Date.
- (f) The Borrower would provide an undertaking for creation of Security and also provide power of attorney to the Security Trustee to that effect. Provided further that no objection certificate from Existing Creditors, for the purpose of security mentioned in clause 17 (a) (i), (v) and (vi) will be obtained within 60 days from the date of First Utilisation Date.

- (g) The Borrower Movable Asset Charge would be created prior to the First Utilisation Date as a subservient charge. Once the no objection certificate from the Existing Creditors have been received in accordance with clause 17.1 (f) above, the form 8 (to be filed under Section 125 of the Companies Act, 1956) would be modified to ensure that the security created for the Facility in pursuance to the Borrower Movable Asset Charge would rank *pari passu* with the charge created over all the movable property of the Borrower in favour of the Existing Creditors and if permitted by law, the lenders for the Additional Debt, when taken.
- (h) The Securities mentioned in clause 17.1 (a) (v) and (vi) will rank *pari passu* with the Security created in favour of the Existing Creditors and if permitted by law, the lenders for the Additional Debt when taken.
- (i) The Securities mentioned in clause 17.1 (a) (ii) to (iv) will rank *pari passu* with the Security created in favour of the lenders for the Additional Debt when taken.
- (j) The Security set out in sub-clause (a) above shall be created by the execution by the relevant Obligor of the relevant documentation in favour of the Security Trustee.
- (k) The Borrower shall make out a good and marketable title to its properties to be mortgaged/hypothecated/pledged to the Security Trustee to the satisfaction of the Security Trustee and comply with all such formalities as may be necessary or required for the said purpose.

17.2 Part III of Schedule 2

In relation to any of the charges referred to in clause 17.1 (*Charges, credit comforts, etc.*), the Borrower shall ensure that the Security Trustee receives in form and substance satisfactory to the Security Trustee (acting on the instructions of the Majority Lenders) each of the documents and other evidence referred to in Part III (*Security Related Documents to be provided by the Borrower*) of Schedule 2.

17.3 Further assurance

Notwithstanding, and in addition to, clause 17.2 (*Part III of Schedule 2*) above, the Borrower shall do all such other acts, deeds, matters and things and execute such other documents in a form and substance satisfactory to the Security Trustee (acting on the instructions of the Majority Lenders) which in the Majority Lenders' opinion shall be necessary or advisable to create / perfect any such charge and security.

17.4 No operative clause

This clause 17 (*Security*) shall not itself be effective to create any Security, such Security only being created on execution of the relevant Security Documents and subsequent perfection of such Security.

17A CONTRACTUAL COMFORTS

17A.1 GUARANTEE

The Borrower shall procure and deliver to the Agent before any disbursement by the Lenders out of the Facility, irrevocable and unconditional joint and several:

- (i) personal guarantee from the Individual Promoters (“**Individual Promoter Guarantee**”); and
- (ii) corporate guarantees from the Corporate Promoters (“**Corporate Promoter Guarantee**”)

in favour of the Agent on behalf of the Lenders for the due repayment of the Facility and the payment of all interest and other monies payable by the Borrower, in a form prescribed by the Agent. The Borrower shall not pay any guarantee commission to the said guarantors.

The joint and several obligations of the Corporate Promoters under the Corporate Promoter Guarantee would be limited to the net realizable value, as on the date of enforcement of the shares of the Borrower,

- (i) pledged by the Corporate Promoters under the Borrower Pledge; and
- (ii) those provided by the Corporate Promoters under the Promoter NDU and placed in an escrow account.

17A.2 NDU

The Borrower shall procure and deliver to the NDU Agent (acting for and behalf of the Agent) before any disbursement by the Lenders out of the Facility, irrevocable and unconditional joint and several non disposal undertaking-cum power of attorney with regard to twenty one (21)% of the shares held by the Corporate Promoters of the Borrower, in accordance with the terms detailed in the Promoter NDU in a form prescribed by the Agent. The Promoter NDU would provide support to the obligations of the Corporate Promoters under the Corporate Promoter Guarantee and therefore act as additional comfort for the Lenders.

17A.3 SHORTFALL AND ADDITIONAL GUARANTEE

- (a) The Borrower shall procure and deliver to the Agent before any disbursement by the Lenders out of the Facility, in a form acceptable to the Agent, an irrevocable and unconditional shortfall undertaking by the DSRA Shortfall Undertaking Provider to support the obligations of the Borrower with regards to maintaining the DSRA Amount (“**DSRA Shortfall Undertaking**”).
- (b) The Borrower agrees to ensure and procure that DSRA Shortfall Undertaking Provider will provide, in a form acceptable to the Agent, an additional guarantee, guaranteeing the obligations of the Borrower under the Finance Documents, in favour of the Agent, acting for the Lenders under the terms, acceptable to the Agent, provided in the DSRA Shortfall Undertaking (“**Additional Guarantee**”).

17A.4 The Borrower shall ensure that the said Obligors observe all the covenants, terms, conditions, restrictions and prohibitions as provided in their respective agreements and agrees that any violation of the same by the Obligors shall constitute an Event of Default under this Facility Agreement and the Agent (on the instruction of the Majority Lenders) shall be at liberty to recall the facility and enforce the rights under this Facility Agreement.

18 REPRESENTATIONS

The Borrower makes the representations and warranties set out in this clause 18, (*Representation*) for and on behalf of itself and the Obligors to each Finance Party on the Effective Date. The Repeating Representations are deemed to be made by the Borrower by reference to the facts and circumstances then existing on the date of each Utilisation Request, the date of each Utilisation, the first day of each Interest Period and the date on which any payment is made or to be made by the Borrower hereunder.

18.1 Status

- (a) Each of the Obligors, except for the Individual Promoters, is a corporation, duly incorporated and validly existing under the law of its country of incorporation.
- (b)
 - (i) The Individual Promoters are resident citizens of India and have the competence and power to perform their obligations;
 - (ii) The Individual Promoters shall remain citizens of India during the subsistence of their obligations;
 - (iii) The individual Promoters are financially solvent and have adequate net worth to enable them to perform their respective obligations under this Guarantee;
 - (iv) The Individual Promoters are not incapacitated in any manner and are under no sufferance or infirmity, or any other form of restraint which would affect the performance of their obligations;
- (c) Each of the Obligors has the power to own its assets and carry on its business as it is being conducted.

18.2 Binding obligations

Each Finance Document to which it or any of the other Obligors is a party will, when executed, constitute legal, valid and binding obligations on the Borrower enforceable in accordance with its respective terms and would be so treated in the courts and/or tribunals of India.

18.3 Non-conflict with other obligations

The entry into and performance by it, or any of the other Obligors, of and the transactions contemplated by, the Finance Documents do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets; or
- (d) any of its borrowing limit or powers or any other powers exercisable by its directors in connection herewith.

Further, the entry into and performance by it, or any of the other Obligors, of and the transactions contemplated by, the Finance Documents do not and will not result in the imposition of any liens.

18.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.

18.5 Validity and admissibility in evidence

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party; and
 - (b) to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation and India,
- have been obtained or effected and are in full force and effect.

18.6 No filing or stamp taxes

Under the law of its and each of the other Obligor's jurisdiction of incorporation and/or the laws of any other relevant jurisdiction it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction (other than the registrations which have already happened on or prior to the First Utilisation Date or of any Security Document which will happen after the execution of those Security Documents), or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents (other than the stamp/registration duties paid on or prior to the First Utilisation Date or which will be payable in connection with the Security Documents upon their execution).

18.7 No default

- (a) No Event of Default is continuing or might reasonably be expected to result from the making of any Utilisation.
- (b) No default is subsisting or might result from the execution of, or the availing of the Facility under, this Agreement by the Borrower.
- (c) No other event or circumstance is subsisting which constitutes (or with the giving of notice, lapse of time, determination of materiality or the fulfilment of any other applicable condition or any combination of the foregoing), might constitute default under any other agreement or instrument which is binding on it or to which its assets are subject which might have a Material Adverse Effect.

18.8 No misleading information

Any factual information provided by the Borrower or any of the other Obligor for the purposes of the Facility or the Information Memorandum was true, complete and accurate and not misleading as at the date it was provided or as at the date (if any) at which it is stated and no information has been given or withheld that could result in the Information Memorandum being incorrect, untrue or misleading in any respect.

18.9 Financial statements

- (a) Its original financial statements were prepared in accordance with GAAP in India consistently applied.
- (b) Its original financial statements fairly represent its financial condition and operations during the relevant financial year. Such statements are true, correct, complete and accurate.

- (c) There has been no material adverse change in its business, conditions (financial or otherwise), operations, performance or prospects of the Borrower and Corporate Promoters since March 31, 2010, for DSRA Shortfall Undertaking Provider, September 30, 2009 and for Individual Promoters, December 31, 2009.
- (d) The original financial statements have been duly audited by the statutory auditors of the Borrower.

18.10 Ranking of Claims

- (a) The Borrower shall ensure that its obligations under any Finance Document do and will rank at least *pari passu* with the claims of all its senior obligations, present and future.
- (b) Each Security Document creates (or once entered into will create) in favour of the Security Trustee for the benefit of the Finance Parties, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have.

18.11 No proceedings pending or threatened

- (a) No litigation, investigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of the other Obligors.
- (b) No corporate action has been taken by the Borrower or any of the other Obligors, nor have any other steps been taken or legal proceedings been started or threatened against the Borrower or any of the other Obligors for its winding-up, dissolution, administration or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of any Obligor or of any or all of the assets or revenues of such Obligor.

18.12 Immunity

- (a) The execution or entering into by any Obligor of the Finance Documents constitute, and its exercise of its rights and performance of its obligations under the Finance Documents will constitute, private and commercial acts done and performed for private and commercial purposes.
- (b) The Obligors are not, will not be entitled to, and will not claim immunity for itself or any of its assets from suit, execution, attachment or other legal process in any proceedings in relation to the Finance Documents.

18.13 Intellectual Property

- (a) The Borrower owns, has licence to use or otherwise has the right to use, all Intellectual Property or Intellectual Property Rights, which are required or desirable for the conduct of the Borrower's business and operations and the Borrower does not, in carrying on its business and operations, infringe any Intellectual Property Rights of any person.

- (b) None of the Intellectual Property or Intellectual Property Rights owned or enjoyed by the Borrower, or which the Borrower is licensed to use, which are material in the context of the Borrower's business and operations are being infringed nor, so far as the Borrower is aware, is there any infringement or threatened infringement of those Intellectual Property or Intellectual Property Rights licensed or provided to the Borrower by any person.
- (c) All Intellectual Property or Intellectual Property Rights owned by the Borrower or which the Borrower is licensed to use are valid and subsisting. All actions (including registration, payment of all registration and renewal fees) required to maintain the same in full force and effect have been taken.

18.14 Ownership and Control

The Promoters hold directly and/or beneficially at least the Relevant Percentage of the voting share capital of the Borrower and maintain Control over the Borrower.

18.15 Encumbrances

Save for the Existing Encumbrances and any Security:

- (a) permitted to be created by the Finance Documents; and
- (b) created for the benefit of the Finance Parties on execution of the Security Documents,

no other Security exists over any of the present and future assets of the Borrower including the monies deposited in the Escrow Account.

Further, the Security created by the Finance Documents are valid.

18.16 Ownership of assets

The Borrower has good, valid and marketable title to all or substantially all its assets, free from any restriction or onerous covenants, and free from any Security save for the Existing Encumbrances and any Security:

- (a) permitted to be created by the Finance Documents; and
- (b) created for the benefit of the Finance Parties on execution of the Security Documents.

18.17 Insurances

All insurances which are required to be maintained or effected by the Borrower or any other person pursuant hereto or any of the Finance Documents are in full force and effect and no event or circumstance has occurred, nor has there been any omission to disclose a fact, which would in either case entitle any insurer to avoid or otherwise reduce its liability under any policy relating to the insurances.

18.18 Compliance with laws

The Borrower is in compliance in all respects with all laws to which it may be subject, where failure so to comply would impair its ability to perform its obligations under the Finance Documents to which it is a party or would result in a Material Adverse Effect.

The Obligors have not committed a violation of any law, Finance Documents or any other material agreements.

18.19 Undisclosed liabilities

As at the date as of which its and the other Obligors most recent audited financial statements were prepared (which, at the Effective Date, are the Original Financial Statements), the Borrower had no material liabilities (contingent or otherwise) which were not disclosed thereby (or by the notes thereto) or reserved against therein nor any unrealised or anticipated losses arising from commitments entered into by it which were not so disclosed or reserved against.

18.20 Arm's length dealings

The Borrower does not have any arrangement, agreement or commitment with any person or has paid or is obliged to pay any fees, commissions or other sums on any account whatsoever to any persons other than on an arm's length basis and on normal commercial terms.

18.21 Director

No director, managing agent, manager, employee of the Borrower or of a Subsidiary/Holding Company of the Borrower, or a guarantor on behalf of/for/to the Borrower is a director of any of the Lenders, and no director of any of the Lenders holds substantial interest in the Borrower or a Subsidiary/Holding Company of the Borrower.

Except to the extent disclosed none of the directors of the Borrower, is a director of a banking company (as defined under the Banking Regulation Act, 1949) or specified near relation (as specified by RBI) of a director of a banking company or a near relative of any senior officer of any of the Lenders.

No relative (as specified by RBI) of a Chairman / Managing Director or director of banking company (including the Lenders) or a relative of senior officer (as specified by RBI) of any of the Lenders, hold substantial interest or is interested as a director or as guarantor of Borrower.

18.22 Jurisdiction/governing law

The Borrower's:

- i) irrevocable submission to the jurisdiction of courts as specified in clause 37 (*Governing Law*) hereof, and
- ii) agreement that this Agreement is governed by Indian law, are legal, valid and binding on the Borrower under Indian law.

18.23 Environment

- i) The Borrower has obtained all authorisations under applicable environmental laws and is and has been in compliance with all such authorisations and laws and there are no circumstances that may at any time prevent or interfere with such compliance.

- ii) No further environmental authorisations other than those already obtained are required for the carrying on of the business and operations of the Borrower as currently conducted.
- iii) There is no claim pending or threatened, against the Borrower for any breach of environmental law which, if adversely determined, might have a Material Adverse Effect.

18.24 No other business

The Borrower has not engaged in any business or activities, either alone or in partnership or joint venture other than those disclosed to the Agent.

18.25 Tax compliance

The Borrower has complied in all material respects with all taxation laws in all jurisdictions in which it is subject to taxation and has filed all tax returns and paid all taxes (other than those which are disputed and therefore have been disclosed to the Agent as per the last audited financial statements and detailed in Schedule XIII) and statutory dues due and payable by it and, to the extent any taxes are not due, has adequate arrangements for the payment of those taxes and statutory dues. The Lenders shall not be responsible for the compliance of direct and indirect tax obligations by the Borrower.

18.26 Consents

Other than the approval from TRAI for assignment of DTH License and no objection certificate from Existing Creditors, all authorizations, approvals, consents, licenses, exemptions, filings, registrations, notarizations and other matters, official or otherwise, including but not limited to any governmental and third party approvals and consents required or advisable in connection with the entry into performance, validity and enforceability of this Facility Agreement and the other Finance Documents and the transactions contemplated hereby and thereby have been obtained or effected and are in full force and effect.

18.27 Cancellation by Borrower

The Borrower shall not cancel the Facility or any part thereof without the approval of the respective Lender.

18.28 The Borrower agrees and confirms to all the Lenders that, any legal proceedings initiated by an enforcing Lender under this Facility Agreement in relation to its respective Loan shall not prejudicially impact or relinquish right of any other Lender with respect to their respective Loans under this Facility Agreement.

18.29 The Borrower agrees and confirms that none of the Obligors or any of its directors has been declared to be a wilful defaulter by RBI. In the event of a person having being identified as a willful defaulter, the Borrower shall take expeditious and effective steps for removal of such person from directorship.

18.30 The Borrower confirms that none of the Obligors is a non-banking financial company or a core investment company as determined by RBI in pursuant to the extant regulations.

18.31 No resolution has been passed by the Obligors, no meeting has been convened by the Obligors and no order has been passed, for the winding-up of the Obligors. Further, there are no orders passed against the Obligors under any applicable insolvency, reorganisation, or similar laws in any jurisdiction concerning the Obligor.

19 INFORMATION UNDERTAKINGS

The undertakings in this clause remain in force from the Effective Date for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

19.1 Financial statements

The Borrower shall supply to the Agent in sufficient copies for all the Lenders as soon as the same become available, but in any event within 150 days after the end of each of its financial years its audited consolidated and stand-alone financial statements for that financial year; and

19.2 Compliance Certificates

- (a) The Borrower shall supply to the Agent, with each set of financial statements delivered pursuant to clause 19.1 (*Financial statements*), a Compliance Certificate setting out (in reasonable detail) computations as to compliance with clause 20 (*Financial Covenants*), clause 20A (*Additional Financial Covenants*) and 20B (*Special Financial Covenants*) as at the date as at which or, as applicable, during the period in respect of which those financial statements were drawn up.
- (b) Each Compliance Certificate shall be signed by either the Managing Director or any two directors or the chief financial officer of the Borrower and, if required to be delivered with the financial statements delivered pursuant to clause 19.1 (*Financial statements*), shall be reported on by the Borrower's auditors in the form agreed by the Borrower and all the Lenders.

19.3 Requirements as to financial statements

- (a) Each set of financial statements delivered by the Borrower pursuant to clause 19.1 (*Financial statements*) shall be certified by a director of the Borrower as fairly representing its financial condition as at the date as at which those financial statements were drawn up.
- (b) The Borrower shall procure that each set of financial statements delivered pursuant to clause 19.1 (*Financial statements*) is prepared using GAAP.
- (c) The Borrower shall procure that each set of financial statements of an Obligor delivered pursuant to clause 19.1 (*Financial statements*) is prepared using GAAP, accounting practices and financial reference periods consistent with those applied in the preparation of the original financial statements for that Obligor unless, in relation to any set of financial statements, it notifies the Agent that there has been a change in GAAP, the accounting practices or reference periods and its auditors (or, if appropriate, the auditors of the Obligor) deliver to the Agent:
 - (1) a description of any change necessary for those financial statements to reflect the GAAP, accounting practices and reference periods upon which that Obligor's original financial statements were prepared; and

- (ii) sufficient information, in form and substance as may be reasonably required by the Agent, to enable the Lenders to determine whether clause 20 (*Financial covenants*) has been complied with and make an accurate comparison between the financial position indicated in those financial statements and that Obligor's Original Financial Statements.
 - (iii) Any reference in this Agreement to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the original financial statements were prepared.
- (d) The Borrower will ensure that the accounts and financial statements of all the Obligors would be IFRS compliant within the time stipulated by the respective authorities/ Government Agency. All references to GAAP in this Agreement would then have to be construed to be reference to IFRS.

19.4 Information: Miscellaneous

The Borrower shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

- (a) all documents dispatched by the Borrower to its shareholders (or any class of them) or its creditors generally at the same time as they are dispatched;
- (b) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Borrower which might, if adversely determined, have a Material Adverse Effect;
- (c) promptly, such further information regarding the financial condition, business and operations of the Borrower as any Finance Party (through the Agent) may reasonably request;
- (d) all information that has been requested by the Arranger or the Agent for preparation of the Information Memorandum and syndication of the Facility; and
- (e) written details of any working capital credit facility or charge referred to in clause 17.1(c) (*Charges*) which is to come into existence after the Effective Date, such written details to be provided to the Agent at least one Month prior to the date on which the relevant charge is expected to come into existence.
- (f) The Borrower shall provide quarterly report of TRAI Report within 30 days from the end of each financial quarter.
- (g) The Borrower shall promptly inform the Arranger about the change or a potential change in the credit rating of the transaction.

19.5 Notification of default

- (a) The Borrower shall notify the Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- (b) Promptly upon a request by the Agent, the Borrower shall supply to the Agent a certificate signed by two of its directors or senior officers on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

19.6 "Know your customer" checks

- (a) If:
 - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the Effective Date;
 - (ii) any change in the status of an Obligor after the Effective Date; or
 - (iii) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,
 - (iv) obliges the Agent or any Lender (or, in the case of sub-clause (iii) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall (and shall ensure that each Obligor will) promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in sub-clause (iii) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in sub-clause (iii) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.
- (b) Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

20 FINANCIAL COVENANTS

- a) The covenants in this clause 20 (*Financial Covenants*) shall remain in force from the Effective Date for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.
- b) The Borrower on a standalone basis complies with the following financial covenants during the currency of the proposed Facility:-
 - Total Debt/Promoter Contribution - 2.0

- c) The financial covenants will be calculated within 150 days from the end of every financial year. The financial covenants as mentioned in this clause 20 will be first tested for the financial year ending on March 31, 2011.
- d) **“Total Debt”**, for the purpose of this Agreement, would include ‘Long Term Debt’, ‘Short Term Debt’ & ‘Working Capital Bank Finance’.
- “Long Term Debt”** to include debt greater than one year (term loans - whether secured or unsecured, debentures, outstanding convertibles, preference shares, deferred payment guarantees, shortfall undertakings or payment undertakings of any nature whatsoever, other term liabilities), including all amounts under guarantee obligations excluding instalments due within one year and put options or other payment obligations under derivatives excluding instalments due within one year less Working Capital Bank Finance.
- “Short Term Debt”** to include all types of debt repayable up to one year including term loans - whether secured or unsecured, demand loans, debentures, outstanding convertibles, preference shares, shortfall undertakings or payment undertakings of any nature whatsoever, instalments on Long Term Debt due within one year, other obligations or liabilities maturing within one year, etc.) and amounts due under the guarantees having a maturity of less than one year and put options or other payment obligations under derivatives due within one year less Working Capital Bank Finance.
- “Working Capital Bank Finance”** to include secured and unsecured fund based working capital availed and outstanding from banks
- h) **“Promoter Contribution”**, for the purpose of this Agreement, means the equity share capital, subordinate loan or unsecured loan provided to the Borrower by the promoters, which would not be eligible for interest/coupon/principal payments during the tenor of the Facility.
- (i) **“Asset Coverage Ratio”**, for the purpose of this Agreement, means the ratio between the value of the assets provided as Security for the Facility and the outstanding Facility Amount and outstanding amount of the Existing Debt.
- (j) Financial Covenants will be tested on the basis of the Compliance Certificate provided by the Borrower in accordance with clause 19.2 from the statutory auditor, which should be agreed upon and acceptable to the Lenders.

20A ADDITIONAL FINANCIAL COVENANTS

- (a) In addition to the covenants provided in clauses 20 (*Financial Covenants*) and 20B (*Special Financial Covenants*), the covenants in this clause 20A shall be tested only in case the covenants in clause 20B are not fulfilled.

- (b) Subject to clause 20A (a) above, the Borrower on a standalone basis undertakes to comply with the following additional financial covenants on the dates providing therein:

Total Debt/ Net Cash Accrual for the financial year ending March 31, 2014 - 5.5

Total Debt/ Net Cash Accrual for the financial year ending March 31, 2015 - 4.5

Total Debt/ EBITDA for the financial year ending March 31, 2014 - 3.5

Total Debt/ EBITDA for the financial year ending March 31, 2015 - 3.0

- (C) The additional financial covenants will be calculated within 150 days from the end of the relevant financial year.
- (d) **“Net Cash Accruals”**, for the purpose of this Agreement, would include profit after tax plus non cash charges, depreciation, deferred tax provision minus dividend paid.
- (e) **“EBITDA”**, for the purpose of this Agreement, means earnings before interest, tax, depreciation and amortization.

Additional Financial Covenants will be tested on the basis of the Compliance Certificate provided by the Borrower in accordance with clause 19.2 from the statutory auditor, which should be agreed upon and acceptable to the Lenders.

20B SPECIAL FINANCIAL COVENANTS

In addition to the covenants provided in clause 20 (*Financial Covenants*) and 20A (*Additional Financial Covenants*), the Borrower shall also need to comply with the following special financial covenants for the financial year ending March 2013:

- (i) Total Debt should not be more than rupees sixteen billion (16,000,000,000); and
- (ii) EBITDA should not be less than rupees four billion (4,000,000,000).

Special Financial Covenants will be tested on the basis of the Compliance Certificate provided by the Borrower in accordance with clause 19.2 from the statutory auditor, which should be agreed upon and acceptable to the Lenders.

21 GENERAL UNDERTAKINGS

The undertakings in this clause shall remain in force from the Effective Date for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

21.1 Authorisations

The Borrower shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Agent of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation and any other relevant jurisdiction to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation and any other relevant jurisdiction of any Finance Document to which it is a party.

21.2 Payment of taxes

The Borrower shall file all relevant tax returns and pay all its taxes (other than those which are disputed and therefore have been disclosed to the Agent as per the last audited financial statements and detailed in Schedule XIII) and statutory dues promptly when due and payable and, to the extent any taxes are not due, has made adequate arrangements for the payment of those taxes and statutory dues. The Lenders shall not be responsible for the compliance of direct and indirect tax obligations by the Borrower.

21.2A Compliance with laws

The Borrower will comply with all the laws, regulations, directions and guidelines applicable to it along with all the licenses and approvals received by it. Further, the Borrower will comply with all obligations under the Finance Documents. The Borrower will also ensure that all its licenses and approvals remain existent and valid.

21.3 Negative pledge

- (a) The Borrower shall not create or permit to subsist any Security over any of its assets (save any Permitted Encumbrances, the Existing Encumbrances or any Security constituted by the Security Documents) without prior written approval of the Agent (acting on the instructions of the Majority Lenders).
- (b) The Borrower (whether voluntarily or involuntarily) shall not:
 - (i) sell, transfer or otherwise dispose or agree to do so of any of its assets on terms whereby they are or may be leased to or reacquired by the Borrower;
 - (ii) sell, transfer or otherwise dispose of or agree to do any of its receivables on recourse terms;
 - (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - (iv) enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

21.4 Disposals

- (a) The Borrower shall not, without prior written approval of the Agent (acting on the instructions of the Majority Lenders), enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, grant lease, transfer or otherwise dispose or deal with (or agreeing to do any of the foregoing at any future time) any of its assets.

- (b) Sub-clause (a) above does not apply to any sale, lease, transfer or other disposal of assets (other than those secured pursuant to clause 17 (Security):
 - (i) made in the ordinary course of business of the disposing entity;
 - (ii) in exchange for other assets comparable or superior as to type, value and quality; or
 - (iii) Permitted Disposals

21.5 Maintenance of Promoters' Control over the Borrower

The Borrower shall ensure that the Promoter and their associates shall at all times hold directly and/or beneficially at least the Relevant Percentage of the voting share capital of the Borrower and maintain Control over the Borrower.

21.5A Share Sale

Subject to the restrictions provided in pursuance to the Promoter NDU and the Borrower Pledge, the Borrower shall inform the Agent of any share sale of the Borrower not later than 15 days prior to such sale.

21.6 Merger

The Borrower shall not, without the prior written consent (which shall not be unreasonably withheld) of the Agent (acting on the instructions of the Majority Lenders), enter into any amalgamation, demerger, merger, acquisition or corporate reconstruction.

21.7 Change of business

The Borrower shall procure that no substantial change is made to the general nature of its business from that carried on at the Effective Date.

21.8 Restricted Payments

The Borrower shall not and shall ensure that its Subsidiaries shall not without the prior written consent of the Lenders make any payments:

- (a) unless it has paid all the dues in respect of the Facility up to the date on which the dividend is proposed to be declared or paid, or has made satisfactory provisions therefore, or
- (b) which is a Restricted Payment if an Event of Default has occurred or there is a potential event of Default and is subsisting or would occur as a result of such payment.

21.9 Conduct of Affairs

The Borrower shall:

- (a) at all times carry on and conduct its affairs in a lawful manner.
- (b) maintain its existence and right to carry on its business and operations and ensure that it has the right and is duly qualified to conduct its business and operations as it is conducted in all applicable jurisdictions and will obtain and maintain all franchises and rights necessary for the conduct of its business and operations in such jurisdictions.

- (c) develop, maintain and implement its projects in accordance with prudent industry standards and accepted industry practices and conduct its business and operations with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and business practices.
- (d) ensure that the legal validity of the Finance Documents are not affected as a result of any action or non-action of the Borrower.

21.10 Further Assurance

The Borrower shall from time to time on request by the Agent (or by any other Finance Party through the Agent) do or procure the doing of all such acts and will execute or procure the execution of all such documents as any Finance Party may reasonably consider necessary for giving full effect to each of the Finance Documents or securing to the Finance Parties the full benefits of all rights, powers and remedies conferred upon the Finance Parties in any of the Finance Documents to which it is a party. For avoidance of doubt, this would include the assurance of procuring the Additional Guarantee in case the same has been stipulated in the Finance Documents.

21.11 Share Capital

Any reduction or any increase (other than by equity contribution by the existing promoters) in the share capital of the Borrower shall only be made with the prior written consent (such consent should not be unreasonably withheld) of the Agent (acting on the instructions of the Majority Lenders).

21.12 *Pari Passu* Ranking

The Borrower shall procure that its obligations and the claims of the Finance Parties against it under each Finance Document do and will rank at least *pari passu* with all its other present or future, actual or contingent, senior obligations, except for those which are mandatorily preferred by applicable law or in the exercise of powers under any law applicable to it.

21.13 Books, Records and Accounting Matters

The Borrower shall keep proper books of record and account and maintain proper accounting, management information and control systems in accordance with GAAP for the time being in force in the relevant jurisdiction applicable to it from time to time. A certificate to this effect shall be obtained from the statutory auditor by the Borrower at the request of the Lender. Such records shall be open to examination by the Agent and/or the Lenders and their authorised representatives in case of any payment Default.

21.14 Use of Proceeds

The Borrower shall ensure that all the proceeds of each Loan advanced under this Agreement are used strictly in accordance with the purpose set out in clause 3.1 (Purpose). The Borrower shall provide a certificate (the “**End-use Certificate**”) from its statutory auditor within a period of 45 days from the date of each Utilisation. The End-use Certificate shall certify that the funds drawn down have been used for the purpose set out in clause 3.1 (*Purpose*).

If, for any reason the Borrower finds itself unable to comply with this condition, it shall immediately inform the Agent in writing of the same and the reasons there for and shall, unless otherwise agreed to by the Agent (on the instructions of any Lender with respect to its respective Loan), repay forthwith the outstanding balance of the Facility together with interest and all other monies payable in respect thereof.

21.15 Compliance with central bank regulations

The Borrower shall ensure that each Loan will be borrowed in accordance with the approvals, guidelines, regulations and circulars of every Governmental Agency applicable on it.

21.16 Nominee Director

- (a) The Agent shall (on the instructions of the Majority Lenders) have the right, after the occurrence of a event of Default, to appoint, remove and replace from time to time, a director on the board of directors of the Borrower (such director is referred to as the "**Nominee Director**").
- (b) The Nominee Director shall be a non-executive director of the Borrower.
- (c) The Nominee Director shall:
 - (i) not be required to hold qualification shares nor be liable to retire by rotation.
 - (ii) be entitled to all the rights and privileges of other directors including the sitting fees and expenses as payable to other directors but if any other fees, commission, monies or remuneration in any form is payable to the Directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall be paid by the Borrower directly to the Agent;
 - (iii) be appointed a member of committees of the board of directors of the Borrower, if so desired by the Agent; and
 - (iv) be entitled to receive all notices, agenda, etc and to attend all general meetings and board meetings and meetings of any committees of the board of which he is a member.
- (d) Any expenditure incurred by the Finance Parties or the Nominee Director in connection with his appointment of directorship shall be borne and payable by the Borrower.
- (e) If, at any time, the Nominee Director is not able to attend a meeting of the board of directors or any of its committees of which he is a member, the Nominee Director may depute an observer to attend the meeting. The expenses incurred by any Finance Party in this connection shall be borne and payable by the Borrower.
- (f) The Nominee Director may furnish to the Finance Parties a report of the proceedings of all such meetings.
- (g) The appointment/removal of the Nominee Director shall be by a notice in writing by Agent addressed to the Borrower and shall (unless otherwise indicated by the Agent) take effect forthwith upon such a notice being delivered to the Borrower.

21.17 Other Undertakings

- (a) The Borrower shall satisfy the Agent that it has appointed technical, financial and executive personnel of proper qualifications and experience for the key posts and that its organisational setup is adequate enough to ensure smooth implementation and operations.
- (b) The Borrower shall obtain the consent (and delivery evidence of the same to the Agent) of its Existing Creditors for any Security provided or to be provided pursuant to the Security Documents.
- (c) The Agent shall have the right from time to time to inspect any premises of the Borrower after giving prior intimation to the Borrower, either by itself or via an agent. The costs of any such inspection shall be borne by the Borrower.
- (d) The Borrower shall ensure that no one on its board of directors is someone who has been identified as a wilful defaulter by RBI. The Borrower shall not induct a person in the capacity of director / promoter who is a director / partner / member / trustee of a company / firm / Association of persons / trust as the case may be, identified as willful defaulter. In the event of such a person is found to be a director / partner / member / trustee of a company / firm / Association of persons / trust as the case may be, identified as willful defaulter, the Borrower shall take expeditious and effective steps for removal of such person.
- (e) The Borrower shall not make any investment or make any acquisition in excess of rupees one billion (1,000,000,000) for any financial year.
- (f) Upon the occurrence of an event of Default, the Borrower shall not amend or modify its Memorandum and Articles of Association or other constitutional documents without prior written approval of the Agent.
- (g) The Borrower shall not without prior written approval of Lenders (which will not be unreasonably withheld) change its financial year-end;
- (h) The Borrower shall notify the Agent upon becoming aware, having used best endeavours, of the occurrence of any event or the existence of any circumstances which constitutes or results in any representation, warranty, covenant or condition under this Agreement being or becoming untrue or incorrect in any respect.
- (i) The Borrower shall notify the Agent of the circumstances and conditions which are likely to disable or disables the Borrower from implementing any of its projects, or which are likely to delay completion of such projects, or which may compel or compels the Borrower to abandon any of its projects, or which may result in substantial overrun in the original estimate of costs, or the happening of any labour strikes, lockouts, shut-downs, fires or other similar happenings likely to have a Material Adverse Effect, with an explanation of the reasons therefor.
- (j) The Borrower shall notify the Agent of any material loss or damage which the Borrower may suffer due to any event, circumstances or act of God.
- (k) The Borrower shall notify the Agent of any action or steps taken or legal proceedings started by or against it in any court of law for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of the Borrower or of any or all of its assets

- (l) The Borrower shall notify the Agent of any litigation, arbitration, administrative or other proceedings initiated or threatened against the Borrower or any of its assets.
- (m) The Borrower shall notify the Agent of any new project, or diversification, modernisation or substantial expansion of any of its existing projects or of any project that it may undertake during the currency of the Facility. Such an expansion, diversification or modernisation will not take place in case of an Event of Default.
- (n) The Borrower shall notify the Agent of any change in the composition of its board of directors or its management set up or appoint/re-appoint/ remove the managing director or other person holding substantial power of management by whatever name called. Such a change will not take place in case of an Event of Default;
- (o) upon the occurrence of any payment related Event of Default the Borrower shall not:
 - (i) make any investments by way of deposit, loans or advances in share capital or otherwise in any concern or provide any credit or give any guarantee, indemnity or similar assurance;
 - (ii) buy-back, cancel, retire, reduce, redeem, repurchase, purchase or otherwise acquire any of its share capital now or hereinafter outstanding or set aside any of its funds for foregoing purposes or;
 - (ii) issue any further share capital whether on preferential basis or otherwise or change its capital structure in any manner whatsoever.
- (p) The Borrower shall:
 - (i) keep the drawals from the Facility in special accounts in the name of the Borrower with the Account Bank ("**Special Bank Account**") the payments from which account shall be subject to verification by any person authorised in this behalf by the Agent.
 - (ii) keep such records as may be required by the Agent to facilitate verification of the entries in the aforesaid account. The Borrower shall also authorise the Account Bank to furnish to the Agent as and when required by it, certified true copy of the aforesaid account with details for verification by the Agent at the expense of the Borrower;
 - (iii) not transfer the Facility or any portion thereof from the said account for being kept in call or any deposit in any bank without obtaining the approval of the Agent.
- (q) The Borrower hereby agrees, confirms and undertakes that:
 - (1) The Lenders shall, as it may deem appropriate and necessary, be entitled to disclose all or any:
 - (i) information and data relating to the Borrower;

- (ii) information or data relating to the Facility or any other credit facility availed / to be availed by the Borrower from any of the Lenders;
- (iii) obligations assumed / to be assumed by the Borrower in relation to the Facility;
- (iv) default, if any, committed by the Borrower in discharge of the aforesaid obligations,

to any agency/credit bureau (the “Agency”) authorised in this behalf by RBI;

- (2) The Agency so authorised may use, process the aforesaid information and data disclosed by any of the Lenders in the manner as deemed fit by them;
- (3) The Agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to banks / financial institutions and other credit grantors or registered users, as may be specified by RBI in this behalf;
- (4) The information and data furnished by the Borrower to the Agent/Lenders from time to time shall be true and correct.

21.18 No other borrowings

The Borrower shall not directly or indirectly create, incur, assume or otherwise become or remain directly or indirectly liable with respect to any Financial Indebtedness, except Permitted Borrowings.

21.19 Insurances

- (a) The Borrower shall ensure that all its assets are adequately insured at all times with financially sound and reputable insurers against such of its other assets as are of an insurable nature against fire, theft, lightning, explosion, earthquake, riot, strike, civil commotion, storm, tempest, flood, marine risks, erection risks, war risks and such other risks and in such amounts as may be specified by the Agent. The Borrower shall obtain and maintain comprehensive insurance cover for its assets during the tenor of the Facility, to the satisfaction of the Agent (acting on the instruction of the Majority Lenders). The policy should be either in the joint names of the Borrower, the Security Trustee and any representative(s) of any existing lender having charge over such asset and/or the lien of the Security Trustee should be noted on the policies as first loss payee. The Borrower shall duly pay all premia and other sums payable for the aforesaid purpose.
- (b) The Borrower shall notify to the Lenders any event or circumstance occurs, which would entitle any insurer to avoid or otherwise reduce its liability under any policy relating to the insurances.
- (c) The Borrower shall use all insurance proceeds it receives (whether from the Security Trustee or directly from an insurer) for loss of or damage to any relevant asset solely to replace or repair that asset.
- (d) The Borrower agrees that, in the event of failure on the part of the Borrower to insure the assets or to pay the insurance premia or other sums referred to above, the Agent may at its sole discretion get the assets insured or pay the insurance premia and other sums referred to above, as the case may be.

- (e) The Borrower shall deliver to the Agent promptly and in no event, later than 10 days after the same are issued, originals of all policies of insurance and renewals thereof and endorsements thereto.

21.20 Arms length dealings

The Borrower shall not enter into any arrangement, agreement or commitment with any person or pay any fees, commissions or other sums on any account whatsoever to any persons other than:

- (a) on an arm's length basis and on normal commercial terms;
- (b) as required by the Finance Documents; or
- (c) those to which the Agent (acting on the instructions of the Majority Lenders) has given its prior written consent.

21.21 Clear Market

The Borrower shall not and shall ensure that no Obligor (other than the DSRA Shortfall Undertaking Provider) shall enter the domestic or international debt markets for any kind of loan, note or bond issuance, in which it is the borrower or an obligor (including rupee or foreign currency bilateral agreement) without the prior written permission of the Arranger from the Effective Date until successful completion of syndication of the Facility as confirmed by the Arranger or until the Syndication Date, whichever is earlier.

21.22 Rating by Credit Rating Agencies and subsequent cancellation:

(i) The Borrower unconditionally agrees, undertakes and acknowledges that the Lenders, with respect to their Loans, have an unconditional right to cancel their respective outstanding un-drawn commitments under this Agreement at any time during the currency of the Facility and that the Agent (upon receiving instructions from the Lenders, with respect to their Loans) shall endeavour to provide prior intimation of the same to the Borrower.

(ii) The Borrower unconditionally agrees, undertakes and acknowledges that the Lenders shall have the right to unconditionally cancel their respective outstanding un-drawn commitments in the event of deterioration in the Borrower's creditworthiness.

For the purpose of the above clause, deterioration in the Borrower's creditworthiness shall include without limitation:

- (a) downgrade by a Credit Rating Agency;
- (b) inclusion of the Borrower and/or any of the Directors in Reserve Bank of India's willful defaulters list;
- (c) closure of a significant portion of the Borrower's operating capacity;
- (d) decline in the profit after tax of the Borrower by more than fifteen percent;

(e) any adverse comment from the Auditor; and

(f) Failure of the Borrower/Obligor/Security Provider to comply with the terms and conditions of Facility Agreement and/or Security Documents.

For the purposes of the above clause “Credit Rating Agency” shall mean and refer to the domestic credit rating agencies such as Credit Analysis and Research Limited, CRISIL Limited, FITCH India and ICRA Limited and international credit rating agencies such as Fitch, Moody’s and Standard & Poor’s and such other credit rating agencies identified and/or recognized by the Reserve Bank of India from time to time.

(iii) The Borrower unconditionally agrees, undertakes to get itself rated by Credit Rating Agency/ies within a period of 3 (three) months and/or at such intervals as may be decided by the Agent (on the instructions of the Majority Lenders) failing which each of the Lenders with respect to their Loans shall have the right to review the applicable interest rate and/or costs, charges and expenses, which shall be payable by the Borrower/Obligor and on such date/s or within such period as may be specified by the Lenders. The costs incurred for the credit rating exercise and the periodic reviews would be borne by the Borrower. The Borrower undertakes to inform the MLA about any change/potential change in the credit rating promptly.

21.23 Intra Group Loans

The Borrower shall not provide loans and advances to its group companies apart from what is required in the ordinary course of business.

21.24 Debt Service Reserve

21.24.1 Maintenance of the DSR

(a) The Borrower shall maintain the DSR for the entire tenure of Facility for the following amount:

- (i) interest payable under the Facility over the subsequent three month period (“**Interest Amount**”)
- (ii) principal and any other amount due and payable under the Facility over the subsequent three months. (“**Principal Amount**”)

The Interest Amount and the Principal Amount would be collectively referred to as the “**DSR Amount**”

The Interest Amount will be funded only in cash in the DSRA.

(b) The Principal Amount can be provided in the following ways:

- (i) as cash in an account maintained with the Account Bank (“**DSRA**”);
- (ii) through a bank guarantee or a stand-by letter of credit from a bank acceptable to the Agent, wherein the beneficiary is the Agent or through the Additional Guarantee;

(c) In case the Borrower procures a bank guarantee or a stand-by letter of credit from a bank acceptable to the Agent, wherein the beneficiary is the Agent or the Additional Guarantee, it will no longer have the obligation to maintain the Principal Amount till such bank guarantee, stand-by letter of credit and Additional Guarantee remains valid and enforceable.

- (d) Subject to clause (c) above, the Borrower shall maintain, at all times prior to, on and following the First Utilisation Date, the DSR equal to the aggregate of the DSRA Amounts for the Facility.

However, the Principal Amount may be funded one day prior to the date on which the Principal Amount becomes due.

21.24.2 Operation of the DSRA

The terms and conditions relating to the establishment and maintenance of the DSRA and the Borrower's ability to deal with the DSRA shall be as set out in this clause.

(a) Interest

- (i) Each amount from time to time standing to the credit of the escrow account(s) containing the DSRA shall bear interest at such rate (if any) as may from time to time be determined by the Account Bank consistent with the relevant Account Mandate relating to the DSRA and shall be credited to such escrow account(s) containing the DSRA in accordance with the relevant Account Mandate.
- (ii) Interest shall accrue in accordance with the Account Mandate. Any interest which has accrued shall not be withdrawn by the Borrower.

(b) Withdrawals

- (i) The Account Bank shall not effect any withdrawal or transfer from the DSRA to the Borrower (and shall not be liable to the Borrower for failing to effect the same) unless such withdrawal or transfer is certified by the Facility Agent on the direction of a Lender with respect to its Loan(s).
- (ii) None of the restrictions contained in this clause on the withdrawal of sums standing to the credit of the DSRA shall affect the obligations of the Borrower to make any payment or any repayment required to be made under the Financing Documents on the date such payment and/ or repayment is so required to be made.
- (iii) A withdrawal or transfer from the DSRA may only be made in accordance with clause 21.24.2 (c) (*Instructions*) if on the day of withdrawal or transfer and following all payments to be made on that day, the balance of the DSRA in the relevant escrow account(s) is equal to or in excess of the then DSRA Amount corresponding to such Loan(s).
- (iv) Except as otherwise provided in any Finance Document or in this Agreement, no sum may be transferred or withdrawn from the DSRA by the Borrower except as expressly permitted by this clause.

(c) Instructions

Subject to clause 21.24.2 (b) (*Withdrawals*) and to the Security Documents, the Borrower hereby irrevocably authorises and instructs the Account Bank to debit:

- (i) on each Interest Payment Date, the DSRA, in an amount equal to Interest payable on such Interest Payment Date by way of transfer to an account as may be specified by the Agent for the relevant Lender.
- (ii) The Account Bank shall promptly notify the Agent if, at any time following the first Utilisation Request, the DSRA Amount is not being met with

(d) Access to DSRA

- (i) The Borrower irrevocably consents to the Facility Agent and the Security Trustee or any of their respective appointed representatives to be provided access to review the books and records of the Account Bank relating to either Account and consents to the Facility Agent and the Security Trustee or any of their respective appointed representatives passing on any information so obtained to any Finance Party in accordance with the provisions of the Financing Documents and, for these purposes only, irrevocably waives any right of confidentiality that may exist in respect of such books and records. The Account Bank shall give to the Borrower, the Facility Agent and the Security Trustee unrestricted access on reasonable prior notice to review such books and records of either Account held by the Account Bank.
- (ii) Nothing in this clause will require the Account Bank to disclose to any person any books, records or other information which the Account Bank would not be required to disclose to the Borrower.

(e) Administration

- (i) Without prejudice to the Account Bank's obligations under this clause, the Account Bank will not be obliged to make available to or for the account of the Borrower any sum which it is expecting to receive for the account of the Borrower until it has been able to establish that that sum has been credited to the relevant escrow account(s), containing the DSRA, held with the Account Bank.
- (ii) Apart from the Facility Agent, all other signatories in respect of the DSRA must be persons duly and properly authorised by the directors of the Borrower, except as otherwise agreed by the Account Bank or as specifically authorised by the Borrower under the Account Mandate.
- (iii) The Account Bank will provide statements for the respective DSRA Amounts held with it to the Facility Agent and the Security Trustee and to the Borrower within (5) five Business Days after the last day of each Interest Period.

(f) No Assignment

The Borrower's right, title and interest to or in the DSRA, shall not be capable of being assigned, transferred or otherwise disposed of or encumbered (whether in whole or in part) other than pursuant to the Security Documents.

(g) Notice of Security

The Borrower and the Security Trustee hereby give notice to the Account Bank (and the Account Bank hereby acknowledges and accepts this Agreement as notice) of the security created over the DSRA pursuant to the relevant Security Documents and the Account Bank agrees:

- (i) not to claim or exercise any security in, set-off, counterclaim or other rights in respect of the Accounts save as expressly contemplated in this clause; and
- (ii) that it will pay all moneys standing to the credit of the DSRA as directed by (a) the Facility Agent or (b) the Security Trustee upon being notified by the Security Trustee that the Account Charge has become enforceable.

The operation of the DSR would be on similar lines as the DSRA, as provided above, in case the same is maintained by issuance of a bank guarantee, stand-by letter of credit or an Additional Guarantee

21.25 Escrow Account

The Borrower will maintain another account with the Account Bank for deposit of all monies received from the subscribers ("**Escrow Account**"). The Borrower will provide a no-objection certificate from its Existing Lenders, if required by the Existing Lenders, in order to open and operate the Escrow Account. All amounts available in the Escrow Account shall be applied in the following order of priority:

- (a) Statutory expenses, if any;
- (b) Operating expenses / capital expenditure incurred by the Borrower ;
- (c) Any payments to be made under the Facility and Additional Debt;
- (d) Any payments to be made under the Existing Debt;
- (e) Balance to be released to the Borrower only after repayment of all amounts due under the Facility.

In a Default, no amount shall be released to the Borrower under point (d) and (e) above.

21.26 Right of First Refusal

The Borrower agrees that the Arranger would have the right of first refusal with regard to the following:

- (i) any hedging transaction to be enter into by the Borrower with regard to this Facility; and
- (ii) any debt to be obtained by the Borrower either by way of a domestic or a foreign loan or a bond issuance.

22 EVENTS OF DEFAULT

Subject to the definition of Default, each of the events or circumstances set out in clause 22 is an Event of Default. Reference to the Borrower in this clause 22 shall include references to any Obligor, so that if any of the Events of Default were to occur in respect of any such Obligor, the Finance Parties would be entitled to exercise their rights pursuant to clause 23 (*Consequences of Events of Default*). The Borrower shall promptly notify all the Lenders in writing upon becoming aware of any default and any event which constitutes (or, with the giving of notice, lapse of time, determination of materiality or satisfaction of other condition, would be likely to constitute) an Event of Default and the steps, if any, being taken to remedy it.

22.1 Non-payment

The Obligor does not pay on the Due Date (whether at stated maturity, by acceleration or otherwise) any amount (principal, interest or any other monies) payable pursuant to a Finance Document at the place payable.

22.2 Other obligations

The Obligor does not comply with any provision or covenant of the Finance Documents (other than those referred to in clause 22.1 (*Non-payment*), in 20A (*Additional Financial Covenants*) and in 20B (*Special Financial Covenants*)).

22.3 Misrepresentation

Any representation or statement made or deemed to be made by the Obligor in the Finance Documents or any other document delivered by or on behalf of the Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading when made or deemed to be made or repeated.

22.4 Cross default

- (a) Any Financial Indebtedness of the Obligor is not paid when due nor within any originally applicable grace period.
- (b) Any Financial Indebtedness of the Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Financial Indebtedness of the Obligor is cancelled or suspended by a creditor of the Borrower as a result of an event of default (however described).
- (d) Any creditor of the Obligor becomes entitled to declare any Financial Indebtedness of the Borrower due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) Any person in breach of, or does not comply with, any term or condition (whether financial, performance, or otherwise) of any Finance Document including any security document or undertaking.

For avoidance of doubt it is hereby clarified that this clause will only be applicable for any Financial Indebtedness in excess of Rs 500.0 million in aggregate for each Obligor. However, no such limit would be applicable for any Financial Indebtedness, which arises as a result of this Facility.

22.5 Insolvency

- (a) The Obligor is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

- (b) The value of the assets of the Obligor is less than its respective liabilities (taking into account contingent and prospective liabilities).
- (c) A moratorium is declared in respect of any indebtedness of the Obligor.

22.6 Insolvency proceedings

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Obligor;
- (b) a composition, assignment or arrangement with any creditor of the Obligor;
- (c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Obligor or any of its assets;
- (d) enforcement of any Security over any assets of the Obligor;
- (e) or any analogous procedure or step is taken with respect to the Obligor.

22.7 Creditors' process

- (a) Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Obligor is not discharged within 2 days or statutorily prescribed time period, whichever is shorter.
- (b) The Obligor fails to comply with or pay any sum due from it under any final judgment or any final order made or given by a court of competent jurisdiction. For the purpose of this sub-clause (b), a judgment subject to appeal and which on appeal, to be made within 2 days or statutorily prescribed time period, whichever is shorter, has been stayed, shall not be considered a final judgment.

22.8 Moratorium

Any relevant Governmental Authority declares a general moratorium or "standstill" (or makes or passes any order or regulation having a similar effect) in respect of the payment or repayment of any Financial Indebtedness (whether in the nature of principal, interest or otherwise) (or any indebtedness which includes Financial Indebtedness) owed by companies or other entities similar to the Borrower (and whether such declaration, order or regulation is of general application, applies to a class of persons which includes the Borrower or to the Borrower alone).

22.9 Unlawfulness

It is or becomes unlawful for the Obligor to perform any of its obligations under the Finance Documents.

22.10 Repudiation

The Obligor repudiates a Finance Document or evidences an intention to repudiate a Finance Document.

22.11 Cessation of Business

If the Borrower ceases or threatens to cease to carry on any of its current businesses or give notice of its intention to do so or if all or any part of the assets of the Borrower required or essential for its respective business or operations are damaged or destroyed or in the opinion of any Finance Party, there occurs any change from the Effective Date in the general nature or scope of the current business, operations, management or ownership of the Borrower, which, in the opinion of any Finance Party, could have a Material Adverse Effect.

22.12 Material adverse change

One or more events, conditions or circumstances (including any change in law) shall occur or exist which in the opinion of any Finance Party, could have a Material Adverse Effect.

22.13 Inadequate/ non-creation of Security And Insurance

- (a) If any of the assets forming a part of security under clause 17 (*Security*) or any of the Borrower's assets have not been kept insured or any of the assets have not been duly charged and perfected in accordance with clause 17 (*Security*).
- (b) Any insurance contracted or taken by the Borrower is not, or ceases to be, in full force and effect at any time when it is required to be in effect or any insurance is avoided, or any insurer or re-insurer avoids or suspends or becomes entitled to avoid or suspend, any insurance or any claim under it or otherwise reduce its liability under any insurance or any insurer of any insurance is not bound, or ceases to be bound, to meet its obligations in full or in part under any insurance.

22.14 Security In Jeopardy

If, in the opinion of any Finance Party, any assets held by the Finance Parties as security for the Facility is in jeopardy, under threat or ceases to have effect or if any Finance Document executed or furnished becomes illegal, invalid, unenforceable or otherwise fails or ceases to be in effect or fails or ceases to provide the benefit of the liens, rights, powers, privileges or security interests purported or sought to be created thereby or if any such Finance Document shall be assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the Agent.

22.15 Expropriation Events

Any Government Agency (including any political or administrative sub-division thereof) takes or threatens any action:

- (a) for the dissolution of the Borrower,

- (b) to deprive the Borrower from conducting any of its businesses or carrying out its operations in the manner it is being conducted or carried out; or
- (c) to deprive the Borrower of the use of any of its assets;
- (d) to revoke or terminate or to refuse to provide or renew any authorisation or to impose onerous conditions on the grant or renewal of any authorisation; or
- (e) with a view to regulate, administer, or limit, or assert any form of administrative control over the rates applied, prices charged or rates of return achievable, by the Borrower in connection with its business,

which, in each case, in the opinion of any Finance Party, could have a Material Adverse Effect.

22.16 Change in Control over the Borrower

The Promoter and their associates cease to hold at least the Relevant Percentage of the voting share capital of the Borrower or cease to maintain Control over the Borrower.

22.17 Illegality

- (a) It is or becomes unlawful for the Borrower or any Finance Party or Obligor to perform any of their respective obligations under this Agreement or any Finance Document
- (b) This Agreement or any Finance Document or any provision thereof are required by any law to be amended, waived or repudiated; or
- (c) Any obligation under this Agreement or any Finance Document is not or ceases to be a valid and binding obligation of any person party to it or becomes void, illegal, unenforceable or is repudiated by such person (other than the Lenders).

22.18 Any form of restructuring of the Obligor (including merger, amalgamation or demerger).

22.19 Any change in law or regulation which has a material affect on the revenues or on the forecast of revenues of the Obligor.

22.20 In case the DTH License is for any reason not renewed, terminated, suspended or ceases to be valid.

22.21 In case any of the Obligors is party to any litigation or any proposed litigation, which if adversely determined may have a Material Adverse Effect.

23 CONSEQUENCES OF EVENTS OF DEFAULT

23.1 On and at any time after the occurrence of an Event of Default, every Lender, ("**Declaring Lender**") shall notify in writing all the other Lenders if it wishes to declare an Event of Default (including any payment defaults under clause **22.1** (Non *Payment*)) for its Loan and giving a notice period of 7 Business Days (hereinafter referred to as the ("**First Wait Period**") commencing from the date of such default requesting the consent of the Majority Lenders for declaration of an Event of Default. In the event the Majority Lenders do not provide their consent to the Declaring Lender within the First Wait Period, the Declaring Lender shall have the right to declare the Event of Default for its Loan under the Facility and by way of a written notice to the Borrower and all other Lenders:

- (a) **cancellation:** cancel the Commitment whereupon they shall immediately be cancelled;
- (b) **on-demand:** declare that all or part of the Loan or Loans that may have been provided by such Declaring Lender, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and Davable, whereupon they shall become immediately due and payable;
- (c) **acceleration:** declare that all or part of the Loan or Loans that may have been provided by such Declaring Lender be payable on demand, whereupon they shall immediately become payable on demand by the Declaring Lender.;
- (d) **enforce security/ contractual comfort:** without prejudice to the terms of the relevant Security Documents/ Contractual Comfort Documents. In the event the Declaring Lender wants to enforce the security/ contractual comforts provided under the Security Documents/ Contractual Comfort Documents, then the Declaring Lender shall be required to undertake the following:
 - (i) **Second Wait Period:** The Declaring Lender shall provide a written notice to all the other Lenders with a notice period of 7 Business Days (hereinafter referred to as the "Second Wait Period") for seeking consent of the Majority Lenders for such enforcement of the security/ contractual comforts.
 - (ii) At the end of the Second Wait Period, only on approval from the Majority Lenders for the proposed enforcement action, each Lender (hereinafter referred to as the "**Enforcing Lender**") shall have the right to declare an Event of Default under its respective Loan and commence (or direct the Security Trustee/ Agent to commence / join in) enforcement actions in accordance with the Security Documents/ Contractual Comfort Documents subject to the conditions as laid down under clause 23.1(e) hereinbelow.
- (e) **Tag Along rights for Enforcement Action**
 - (i) An Enforcing Lender is obliged to give the other Lenders (I) at least 7 Business Days (from expiry of the Second Wait Period) prior notice in the event that it seeks to enforce its rights pursuant to clause 23.1(d) above, and/or under this Agreement, and/or the other Finance Documents and/or under applicable law but without initiation of any judicial proceedings ("**Legal Proceedings**") against the Obligor, and (II) at least 10 Business Days prior notice in the event that it proposes to undertake any Legal Proceedings against the Obligor, with respect to enforcement of any of the rights conferred upon the Lenders under clause 23.1 of this Agreement. Thereafter, the Enforcing Lender shall be required to share (pro rata) with the other Lender(s) any amount which it has received or recovered as a result of (I) or (II) above, if:

- (a) The other Lender(s) provide(s) their consent (i) to the Enforcing Lender to join in their actions taken under clause 23.1(e)(i) (I) above prior to the expiry of 7 Business Days of receipt of the notification as received from the Enforcing Lender, or (ii) to join the suit filed by the Enforcing Lender as a plaintiff or a party against the borrower pursuant to 23.1 .e (i) (II) above, within 10 Business Days of receipt of a notification from the Enforcing Lender informing that Lender of such action; and

Provided that in the event of any joint action by the Lenders against the Borrower, all decisions in such joint enforcement shall be taken by a simple majority of 51% of the outstanding amounts of the Loans of such Lenders jointly pursuing such enforcement action against the Borrower.

- (b) All the costs and expenses incurred by the Lenders with respect to clause 23.1 (e) (i) (I), or clause 23.1(e) (i) (II) above, as the case may be are borne in the proportion pro rata to their respective Commitments under the Facility.
- (ii) In the event that clause 23.1 (e)(i)(I) and clause 23.1 (e)(ii)(II) above, are not satisfied, by the other Lender(s), the Enforcing Lender will not be obliged to share any amount which it has received or recovered as a result of clause 23.1(e)(i)(I) or clause 23.1 (f)(i)(II) above, with such Lenders, and the Enforcing Lender shall be solely liable for the costs set forth in clause 23.1 (e)(i)(b) above.

23.2 Conversion to equity

- (a) Upon the occurrence of an Event of Default under clause 22.1 (*Non-payment*) which is continuing and has continued for at least 1 consecutive Business Days, the Borrower shall take steps upon being notified by the Agent if so directed by a Lender (and without prejudice to any other right of that Lender) to convert the whole or such part of the amounts outstanding to the Lender as specified by that Lender (whether then due and payable or not) into fully paid-up equity shares of the Borrower at par value, from the date and in the manner specified in writing by the Agent to the Borrower and in accordance with applicable law. The conversion right reserved as aforesaid may be exercised by any Lender on one or more occasions during the currency of the Facility.
- (b) On receipt of notice of conversion as aforesaid, the Borrower shall allot and issue the requisite number of fully paid-up equity shares to the respective Lender(s) as from the date of conversion as specified in such notice and the Lender shall accept the same in satisfaction of the part of the relevant outstanding sums.
- (c) The portion of the Facility so converted shall cease to carry interest as from the date of conversion and the Facility shall stand correspondingly reduced.
- (d) Upon such conversion, the instalments of the Facility payable to such Lender(s) after the date of conversion as per this Agreement shall stand reduced proportionately by the amounts of the Facility so converted.

- (e) The equity shares so allotted and issued to the Lender(s) shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Borrower. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Borrower in all respects.
- (f) The Borrower shall, at all times, maintain sufficient un-issued equity shares for the above purpose.
- (g) In the event of any Lender exercising the conversion right as aforesaid, the Borrower shall at its cost get the equity shares; issued to such Lender as a result of the conversion, listed with such Stock Exchanges as may be prescribed by such Lender and in the manner as prescribed by RBI.
- (h) Notwithstanding anything contained hereinabove, the conversion of the loan in to equity shares of the Company, in the event of default, shall be in accordance with and subject to such regulatory and other approval as may be applicable.
- (i) The Borrower undertakes to take all necessary corporate actions, apply for and secure all necessary approvals as may be required to give effect to the Conversion by the Lenders.

23.3 Review Of Management

The Agent shall have a right to review the management set up or organisation of the Borrower and to require the Borrower to restructure it as may be considered necessary by the Agent (as per the discretion of the Lender), including the formation of management committees with such powers and functions as may be considered suitable by the Agent. The Borrower shall comply with all such requirements of the Agent.

23.4 Appointment of Technical/Management Consultant

The Agent shall have the right to appoint, whenever it considers necessary, any person engaged in technical, management or any other consultancy business to inspect and examine the working of the Borrower and its assets including its premises, factories and facilities and to report to the Agent. The Agent shall also have the right to appoint, whenever it considers necessary, any chartered accountants/cost accountants as auditors for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Borrower for its working or as concurrent or internal auditors, or for conducting a special audit of the Borrower. The costs, charges and expenses including professional fees and travelling and other expenses of such consultants or auditors shall be borne and payable by the Borrower.

23.4 A Lease, Leave and License and Sale Security

The Security Trustee, acting on instruction from the Agent would have the right to sell, lease and leave and license the assets of the Borrower, which have been charged in pursuance to clause 17 (Security) of this Agreement, in favour of Lenders. In such a case the Lenders would pay a consideration for such a transfer to the Security trustee. The consideration would then be distributed among the other Lenders.

24 CHANGES TO THE LENDERS

24.1 Transfer of Rights and Obligations of the Lenders

Subject to this clause, a Lender (the “Existing Lender”) may:

- (a) assign any of its rights and interests in respect of one or more Loans; or
- (b) transfer by novation any of its rights and obligations in respect of one or more Loans,

to another bank or financial institution or to a trust, fund or any other entity (the “New Lender”), without consent of, the Borrower or any other Obligor except as may be required under novation of a Loan by a Lender. Without prejudice to the aforesaid provision, each Lender may (at its sole discretion), without notice to the Borrower, share the credit risk of the whole or a part of its respective Loan with any other bank by way of participation. Notwithstanding such participation, all rights, title, interests, special status and other benefits and privileges enjoyed or conferred upon or held by such Lender under this Agreement and all other Finance Documents shall remain valid, effective and enforceable by such Lender on the same terms and conditions and the Borrower shall continue to discharge in full all its obligations under this Agreement and all other Finance Documents to such Lender. The Borrower shall not have and shall not claim any privity of contract with such participating bank on account of any reason whatsoever.

At any time prior to the Syndication Date, the Arranger or the Agent (acting on the instructions of a Lender) may give notice to the Borrower stating that amendment(s) are required to be made to the terms of any Finance Document(s) in order to enable the Lender(s) to assign any of their rights and/or transfer any of their rights and obligations to a New Lender (as defined in clause 24.1 (*Assignments and transfers by the Lenders*)) in accordance with clause 24 (*Changes to the Lenders*).

Nothing in this Facility Agreement shall oblige a Lender not to assign any of its rights and interests in respect of one or more Loans to a New Lender, in spite of any legal proceedings including institution of any winding up proceedings filed against the Borrower by any other Existing Lender with respect to enforcement/recovery in respect of one or more of its Loans. Further, unless expressly agreed to the contrary in writing, an Existing Lender agrees and confirms to the other Lenders who may exercise their rights to assign any one or more of their respective Loans in accordance with clause 24 (*Changes to the Lenders*) of this Facility Agreement, that such Existing Lender shall not have any recourse against other Existing Lenders exercising the assignment rights under this Facility Agreement, on account of any reason whatsoever.

24.2 Conditions of assignment or transfer

- (a) The consent of the Borrower is not required for any assignment.
- (aa) The Agent will ensure that the Borrower is provided with a notice of any assignment within 15 days from the date of the assignment.
- (b) An assignment/novation will only be effective on:
 - (i) receipt by the Agent of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties as it would have been under if it was an Original Lender; and

(ii) performance by the Agent of all "know your customer" or other checks relating to any person that it is required to carry out in relation to such assignment to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender.

(c) A transfer/novation will only be effective if the procedure set out in clause 24.5(*Procedure for transfer*) is complied with.

24.3 Assignment or transfer fee

The New Lender shall, on the date upon which an assignment or transfer takes effect, pay to the Agent (for its own account) a fee mutually agreed between the existing and new lender or such other lesser amount as agreed by the Agent.

24.4 Limitation of responsibility of Existing Lenders

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents

(ii) the financial condition of the Borrower;

(iii) the performance and observance by the Borrower of its obligations under the Finance Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document.

(b) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of the Borrower and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Finance Document; and

(ii) will continue to make its own independent appraisal of the creditworthiness of the Borrower and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re-transfer from a New Lender of any of the rights and obligations in respect of any Loan assigned or transferred under this clause 24 (*Changes to the Lenders*); or

- (ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by the Borrower of its obligations under the Finance Documents or otherwise.
- (d) Further, the New Lender agrees and confirms that the New Lender shall not have any recourse against any Lender on account of any reason whatsoever.

24.5 Procedure for transfer

- (a) Subject to the conditions set out in clause 24.2 (Conditions of assignment or transfer) a transfer/novation is effected in accordance with sub-clause (b) below when the Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Agent shall, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.
- (b) The Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the transfer to such New Lender.
- (c) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate, the Existing Lender seeks to transfer by way of an assignment its rights and benefits in respect of any Facility under the Finance Documents, the Borrower and the Existing Lender shall have their respective rights against one another under the Finance Documents cancelled to the extent of such Facility transferred (being the "**Discharged Rights**").
 - (ii) to the extent that in the Transfer Certificate the Existing Lender seeks to novate its rights and obligations in respect of any undisbursed Facility under the Finance Documents, the Borrower and the Existing Lender shall be released from further obligations towards one another under the Finance Documents to the extent of such Facility novated and their respective rights against one another under the Finance Documents shall be cancelled to the extent of such Facility novated (being the "**Discharged Rights and Obligations**");
 - (iii) the Borrower and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as the Borrower and the New Lender have assumed and/or acquired the same in place of the Borrower and the Existing Lender;
 - (iv) the Agent, the Arranger, the New Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been an Original Lender with the rights and/or obligations acquired or assumed by It as a result of the transfer and to that extent the Agent, the Arranger and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and

- (v) the New Lender shall become a Party as a "Lender".
- (vi) All the Lenders (except an Existing Lender who is seeking to transfer / novate a Loan(s) in accordance with this clause 24) hereby irrevocably authorise the Agent as their agent and duly constituted attorney to sign and execute each of the Transfer Certificate on their behalf as a confirming party, for transfer / novation in the manner provided in clause 24.5 (b) hereinabove.
- (vii) Subject to the provisions of this clause 24 (*Changes to the Lender*) hereof, this Agreement shall be binding upon and inure to the benefit of each Party hereto and its successors and assigns.

24.6 Disclosure of information

- (a) Any Finance Party and any of its officers may disclose to:
 - (i) any of its Affiliates;
 - (ii) its head office or any of its branches;
 - (iii) any other Finance Party;
 - (iv) any banking regulator anywhere in the world or any agency or credit bureau, whether authorised by such banking regulator or otherwise, to receive such information on its behalf; and/or
 - (v) any other person:
 - (1) (where that Finance Party is a Lender) to (or through) whom that Lender assigns or transfers (or may potentially assign or transfer) all or any of its rights and obligations under this Agreement;
 - (2) (where that Finance Party is a Lender) with (or through) whom that Lender enters into (or may potentially enter into) any sub- participation in relation to, or any other transaction under which payments are to be made by reference to, this Agreement or any Obligor;
 - (3) (where that Finance Party is the Agent) who is succeeding (or may potentially succeed) that Finance Party in such capacity;
 - (4) to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation;
 - (5) to whom that Finance Party is under a duty to disclose; or
 - (6) any customer information or any other information about the Borrower, the Facility or the Finance Documents as that Finance Party shall consider appropriate.

- (b) Sub-clause (a) above is not, and shall not be deemed to constitute, an express or implied agreement by any Finance Party with the Borrower for a higher degree of confidentiality than that prescribed by applicable law.
- (c) Upon the occurrence of an Event of Default under clause 22.1 (*Non-payment*), any Finance Party may disclose or publish the details of the Event of Default and the name of the Borrower as defaulter, in such manner and through such media as such Finance Party in its absolute discretion may think fit, including to RBI.

25 CHANGES TO THE BORROWER

The Borrower shall not assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

26 ROLE OF THE AGENT AND THE ARRANGER

26.1 Appointment of the Agent

- (a) Each other Finance Party appoints the Agent to act as its agent under and in connection with the Finance Documents.
- (b) Each other Finance Party authorises the Agent to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

26.2 Duties of the Agent

- (a) The Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent for that Party by any other Party.
- (b) Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (c) If the Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Finance Parties.
- (d) If the Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent or the Arranger) under this Agreement it shall promptly notify the other Finance Parties.
- (e) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature.

26.3 Role of the Arranger

Except as specifically provided in the Finance Documents, the Arranger has no obligations of any kind to any other Party under or in connection with any Finance Document.

26.4 No fiduciary duties

- (a) Nothing in this Agreement constitutes the Agent or the Arranger as a trustee or fiduciary of any other person.
- (b) Neither the Agent nor the Arranger shall be bound to account to its own account.

26.5 Business with the Borrower

The Agent and the Arranger may accept deposits from, lend money to and generally engage in any kind of banking (as may be applicable) or other business with the Borrower.

26.6 Rights and discretions of the Agent

- (a) The Agent may rely on:
 - (i) any representation, notice or document believed by it to be genuine, correct and appropriately authorised and shall have no duty to verify the signature on any document; and
 - (ii) any statement purportedly made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.
- (b) The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:
 - (i) no Default has occurred (unless it has actual knowledge of a Default arising under clause 22.1 (Non-payment));
 - (ii) any right, power, authority or discretion vested in any Party or the Majority Lenders has not been exercised; and
 - (iii) any notice or request made by the Borrower (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Obligors.
- (c) The Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.
- (d) The Agent may act in relation to the Finance Documents through its personnel and agents.
- (e) The Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.
- (f) Notwithstanding any other provision of any Finance Document to the contrary, neither the Agent nor the Arranger is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

26.7 Responsibility for documentation

Neither the Agent nor the Arranger:

- (a) is responsible for the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Agent, the Arranger, an Obligor or any other person given in or in connection with any Finance Document or the Information Memorandum; or
- (b) is responsible for the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Finance Document.

26.8 Exclusion of liability

- (a) Without limiting sub-clause (b) below, the Agent will not be liable for any action taken by it or omitted to be taken by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct.
- (b) No Party (other than the Agent) may commence any proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and any officer, employee or agent referred to in this sub-clause (b) may enjoy the benefit of or enforce the terms of this clause 26 (*Role of the Agent and Arranger*).
- (c) The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Agent or the Arranger to carry out any "know your customer" or other checks in relation to any person on behalf of any Lender and each Lender confirms to the Agent and the Arranger that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent or the Arranger.

26.9 Lenders' indemnity to the Agent

Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) Indemnify the Agent, within 10 Business Days of demand, against any cost, loss or liability incurred by the Agent in acting as Agent under the Finance Documents (unless the Agent has been reimbursed by an Obligor pursuant to a Finance Document).

26.10 Resignation of the Agent

- (a) The Agent may resign and appoint one of its Affiliates as successor by giving not less than 30 days notice to the other Finance Parties and the Borrower.
- (b) Alternatively the Agent may resign by giving not less than 30 days notice to the other Finance Parties and the Borrower, in which case the Majority Lenders (after consultation with the Borrower) may appoint a successor Agent.

- (c) If the Majority Lenders have not appointed a successor Agent in accordance with sub-clause (b) above within 15 days after notice of resignation was given, the Agent may appoint a successor Agent.
- (d) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (e) The Agent's resignation notice shall only take effect upon the appointment of a successor.
- (f) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of this clause 26 (*Role of the Agent and Arranger*). Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (g) The Majority Lenders may, by notice to the Agent, require it to resign in accordance with sub-clause (b) above. In this event, the Agent shall resign in accordance with sub-clause (b) above.

26.11 Confidentiality

- (a) In acting as agent for the Finance Parties, the Agent shall be regarded as acting through its agency division, which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Agent, it may be treated as confidential to that division or department and the Agent shall not be deemed to have notice of it.

26.12 Relationship with the Lenders

The Agent may treat each Lender as a Lender, entitled to payments under this Agreement and acting through its Facility Office unless it has received not less than 7 Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

26.13 Credit appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent and the Arranger that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including:

- (a) the financial condition, status and nature of the Borrower;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;

- (c) whether that Lender has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
- (d) the adequacy, accuracy and/or completeness of any information provided by the Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document,

26.14 Deduction from amounts payable by the Agent

If any Party owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

26.15 Transfer Certificate

Each Party (except for the relevant Existing Lender and the relevant New Lender which is seeking the relevant transfer in accordance with clause 24 (*Changes to the Lenders*)) irrevocably authorises the Agent to sign each Transfer Certificate on its behalf.

27 CONDUCT OF BUSINESS BY THE FINANCE PARTIES

No provision of this Agreement will:

- (a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

28 SHARING AMONG THE FINANCE PARTIES

28.1 Payments to Finance Parties

If a Finance Party (a “**Recovering Finance Party**”) receives or recovers any amount from an Obligor other than in accordance with clause 29 (*Payment mechanics*) and applies that amount to a payment due under the Finance Documents then:

- (a) the Recovering Finance Party shall, within 5 Business Days, notify details of the receipt or recovery, to the Agent;

- (b) the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with clause 29 (*Payment mechanics*), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and
- (c) the Recovering Finance Party shall, within 3 Business Days of demand by the Agent, pay to the Agent an amount (the "*Sharing Payment*") equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made.

28.2 Redistribution of payments

The Agent shall treat the Sharing Payment as if it had been paid by the Borrower/ other Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party).

28.3 Recovering Finance Party's rights

- (a) On a distribution by the Agent under clause 28.2 (*Redistribution of payments*), the Recovering Finance Party will be subrogated to the rights of the Finance Parties which have shared in the redistribution.
- (b) If and to the extent that the Recovering Finance Party is not able to rely on its rights under sub-clause (a) above, the Borrower/ other Obligor shall be liable to the Recovering Finance Party for a debt equal to the Sharing Payment which is immediately due and payable.

28.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to clause 28.2 (*Redistribution of payments*) shall, upon request of the Agent, pay to the Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and
- (b) that Recovering Finance Party's rights of subrogation in respect of any reimbursement shall be cancelled and the Borrower/ other Obligor will be liable to the reimbursing Finance Party for the amount so reimbursed.

28.5 Exceptions

- (a) This clause shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this clause, have a valid and enforceable claim against the Borrower/ other Obligor.

- (b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
 - (i) it notified that other Finance Party of the legal or arbitration proceedings; and
 - (ii) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

29 PAYMENT MECHANICS

29.1 Payments to and from the Lenders

On each date on which an Obligor is required to make a payment under a Finance Document, that Obligor shall make the same available to the respective Lender (unless a contrary indication appears in a Finance Document) for value on the Due Date at the time and in such funds specified by the respective Lender. Any payments to be made available to the Borrower by the Lenders shall be directly made available to the Borrower by the respective Lenders. Credit for all payments by the Borrower by local cheque/bank draft will be given on the immediately next Business Day after the receipt of the instrument or the relative Due Date, whichever is later. Credit for all payments by an outstation cheque/bank draft will be given only on realisation or on the relative Due Date, whichever is later.

29.2 No set-off by Borrower

All payments to be made by the Borrower under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

29.3 Business Days

- (a) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any extension of the Due Date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original Due Date.

29.4 Currency of account

- (a) Rupee is the currency of account and payment for any sum due from the Borrower under any Finance Document.

30 SET-OFF

A Finance Party may set off any matured obligation due from the Borrower under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to the Borrower, regardless of the place of payment, booking branch or currency of either obligation and such appropriation by the Finance Party shall be final and binding on the Borrower in all respects. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

31 NOTICES

31.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax, letter or telex.

31.2 Addresses

- (a) The address, fax number and telex number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:
- (b) in the case of the Borrower, that identified with its respective names below pursuant to the signature clause;
- (c) the case of each Lender, that notified in writing to the Agent on or prior to the date on which it becomes a Party; an
- (d) in the case of the Agent, that identified with its name below pursuant to the signature clause;
- (e) or any substitute address, fax number, telex number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than five Business Days' notice.

31.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
 - (iii) if by way of telex, when despatched, but only if, at the time of transmission, the correct answerback appears at the start and at the end of the sender's copy of the notice,
 - (iv) and, if a particular department or officer is specified as part of its address details provided under clause 31.2 (Addresses), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Agent will be effective only when actually received by the Agent and then only if it is expressly marked for the attention of the department or officer identified with the Agent's signature below (or any substitute department or officer as the Agent shall specify for this purpose).

(c) All notices from or to the Borrower shall be sent through the Agent.

31.4 Notification of address, fax number and telex number

Promptly upon receipt of notification of an address, fax number and telex number or change of address, fax number or telex number pursuant to clause 31.2 (Addresses) or changing its own address, fax number or telex number, the Agent shall notify the other Parties.

31.5 English language

(a) Any notice given under or in connection with any Finance Document must be in English.

(b) All other documents provided under or in connection with any Finance Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

32 CALCULATIONS AND CERTIFICATES

32.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party, in the absence gross negligence are prima facie evidence of the matters to which they relate.

32.2 Certificates and Determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

32.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

33 PARTIAL INVALIDITY

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

34 REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under the Finance Documents shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

35 AMENDMENTS AND WAIVERS

35.1 Required consents

- (a) Each Lender, by way of a written agreement with the Borrower, shall have the right to unilaterally amend/waive any term of a Loan granted by it subject to such an amendment/waiver being notified in writing to all the other Lenders. Where any such amendment / waiver requires the execution of an amendment / supplement to this Agreement, all the other Parties agree to execute such documents provided that such amendments/waiver does not amount to any change in any of the terms of the Loans provided by the other Lenders.
- (b) The Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this clause 35.1.
- (c) An amendment or waiver which relates to the rights or obligations of the Agent or the Arranger may not be effected without the consent of the Agent or the Arranger (as the case may be).

36 COUNTERPARTS

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

37 GOVERNING LAW

This Agreement and the Finance Documents (unless otherwise specified in any Finance Document shall be governed by and construed in accordance with the laws of India.

38 ENFORCEMENT

38.1 Jurisdiction

- (a) The courts located at Mumbai, India shall have exclusive jurisdiction to settle any dispute arising out of or in connection with any Finance Document (including a dispute regarding the existence, validity or termination of any Finance Document) (a "**Dispute**").
- (b) The Parties agree that the courts of New Delhi, India are the appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This clause is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, any Finance Party may take concurrent proceedings in any number of jurisdictions and the Borrower hereby consents to each such jurisdiction and agrees not to challenge any such proceeding on the ground of forum non conveniens and/or res judicata.

38.2 EVIDENCE OF DEBT

- a) Lenders shall maintain, in accordance with their usual practice, accounts evidencing the amounts from time to time lent by and/or owing to the Lenders under this Agreement and the Finance Documents.
- b) In any legal action or proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained pursuant to Sub-clause (a) above shall, in the absence of gross negligence be prima-facie and conclusive evidence of the existence and amount of obligations of the Borrower as therein recorded

39. SUSPENSION AND TERMINATION

- 39.1 If any Event of Default has occurred or is continuing or if the Borrower has not availed of or drawn from the Facility by the date referred to in this Agreement or such later date as may be permitted by the Agent, then, in such event, the Agent may, by notice in writing to the Borrower:
- (i) suspend further access by the Borrower to the use of the Facility under this Agreement. The right of the Borrower to avail of or make drawals from the Facility shall continue to be suspended until the Agent has notified the Borrower that the right to avail of or make drawals from the Facility has been restored; or
 - (ii) terminate the right of the Borrower to avail of or make drawals from the Facility. Upon such notice, the unutilised amount of the Facility shall stand cancelled.
- 39.2 Notwithstanding any suspension or termination pursuant to sub-clauses 39.1 above, all the provisions of this Agreement for the benefit or protection of the respective Lenders and their interests shall continue to be in full force and effect as specifically provided in this Agreement.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

**Original Lenders
PART I
TRANCHE A LENDERS**

Name of Original Lender	Address for Notices	FACILITY NUMBER	FACILITY NAME	Commitment (in Rupees) [*]
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 1	
ICICI Bank Limited	ICiCI Bank Towers, BKC, Sandra (E), Mumbai - 38		A 2	
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 3	
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 4	
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 5	
ICICI Bank Limited	ICiCI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 6	
ICICI Bank Limited	ICiCI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 7	
ICICI Bank Limited	ICiCI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 8	
ICICI Bank Limited	ICiCI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 9	
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		A 10	

**PART II
TRANCHE B LENDERS**

Name of Original Lender	Address for Notices	FACILITY NUMBER	FACILITY NAME	Commitment (in Rupees) [*]
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		B - 1	
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		B - 2	
ICICI Bank Limited	ICICI Bank Towers, BKC, Bandra (E), Mumbai - 38		B - 3	
Total:				

SCHEDULE 2

PART - I

Conditions Precedent to initial Utilisation

1. General

- 1.1 A certified copy of the constitutional documents of each of the Obligor.
- 1.2 A certified copy of a resolution of the board of directors of each of the Obligor
- (a) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;
 - (b) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf;
 - (c) authorising the execution of power of attorney in favour of the Security Trustee (for the Borrower) and in favour of the attorney holder under the Promoter NDU (for the NDU Providers); and
 - (d) authorizing a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.
 - (e) authorising, the affixation of the common seal, if necessary, on the Facility Agreement and the Finance Documents, and/or a director or directors or other authorised executives to execute the Facility Agreement and the Finance Documents;
- 1.2A A certified copy of a relevant resolution under section 372A of the Companies Act, 1956 to be obtained from whichever Obligor to whom the section would be applicable.
- 1.3 A specimen of the signature of each person authorised by the resolutions referred to above.
- 1.4 A certificate of the statutory auditors of the Borrower, as may be acceptable to the Agent, of the Borrower confirming that
- (i) the borrowing or the availing of the Facility under this Agreement would not cause any borrowing limit binding on the Borrower to be exceeded.
 - (ii) the assets of the Borrower to be charged as security for the Facility under clause 17 (*Charge, credit comforts etc*) of the Facility Agreement, are the absolute property of the Borrower and are free from any Security other than the Existing Encumbrances.
 - (iii) the Borrower has no dues to the tax authorities in India other than those which are disputed and disclosed to the Agent as detailed in Schedule 13.
- 1.5 A certificate of the Borrower (signed by a director) confirming:

- (a) that the borrowing or the availing of Facility under this Agreement would not cause any borrowing limit binding on the Borrower to be exceeded;
 - (b) that all Taxes payable in any relevant jurisdiction in connection with the execution, performance and/or enforcement of the Finance Documents have been paid other than those which are disputed and disclosed to the Agent, as detailed in Schedule 13;
 - (c) that all the Finance Documents have been duly executed and all formalities, filings, registrations etc. that are required to be complied with and all stamp/registration duties/charges that are required to be paid in connection with the Finance Documents have been complied with /paid;
 - (d) that all representations and warranties provided in the Finance Documents are true and correct in all material respects on and as of the date of the drawdown and to the application of the proceeds therefrom;
 - (e) that there has been no Material Adverse Effect in the period between the execution of the Facility Agreement and initial Utilization;
 - (f) that there has been no Event of Default or event which, with the giving of the notice or passage of time or both, would be an Event of Default, having occurred or continuing, or would result from such drawdown;
 - (g) that there has occurred no force majeure event in the period between the execution of the Facility Agreement and initial Utilization; and
 - (h) that the Borrower and its directors have the necessary powers under the constitutional documents of the Borrower to borrow or avail the Facility and enter into the Facility Agreement.
- 1.6 A certificate of a director of each of the Obligor certifying that each copy document relating to it specified in this Part I to Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date falling five Business Days prior to the Effective Date.
- 1.7 A certified true copy of a resolution of the shareholders of the Borrower passed in general meeting under and in accordance with Section 293(1)(a) and (d) of the Companies Act, 1956, if required, authorising, inter alia, the borrowing or any other payment obligation contemplated under, and the execution of, this Agreement and the other Finance Documents.
- 1.8 An undertaking from the Borrower who has to provide security that the Security shall be created or all formalities required for the same shall be completed within the time period stipulated.
- 1.9 A power of attorney from the Borrower in favour of the Agent giving the power to the Agent to execute any security document to give effect to any provision of clause 17 (Security).
- 1.10 A legal opinion certifying that the Borrower and its directors have the necessary powers under the constitutional documents of the Borrower to borrow or avail the Facility and enter into the Facility Agreement;

2. Other documents and evidence

- 2.1 The certified copy of the last audited original financial statements of each of the Obligors.
- 2.2 All fees, costs and expenses then due from the Borrower pursuant to clause 11 (Fees) and clause 16 (Costs and Expenses) have been paid or the Utilisation request provides for an authority to the Agent to deduct such fees, costs and expenses from the proceeds of the Utilisations.
- 2.3 A copy of the Borrower's most recent audited accounts and auditor's report.
- 2.4 The Agent will provide a confirmation that all necessary KYC requirements with regard to the Obligors have been completed.
- 2.5 A copy of the application made to the income tax authorities for a certificate under section 281 (1) (ii) of the Income Tax Act, 1961.
- 2.6 Subject to clause 17 (*Charge, credit comforts etc*) execution of all Security Documents.
- 2.7 A certificate of the statutory auditor of the DSRA Shortfall Undertaking Provider confirming that the DSRA Shortfall Undertaking would not cause any limit binding on such entity to be exceeded.
- 2.8 Certificates of the statutory auditor of the Corporate Promoters confirming that the Corporate Promoter Guarantee for the facility would not cause any limit binding on such entity to be exceeded or that section 372A of the Companies Act, 1956 would not be applicable to the Corporate Promoters.
- 2.9 Such documents and/or evidence of steps taken as may be deemed necessary or desirable by the Agent or the Arranger (or any legal counsel to the foregoing).

SCHEDULE 2

PART-II

Conditions Precedent to second and subsequent Utilisations

1. All fees, costs and expenses then due from the Borrower pursuant to clause 11 (*Fees*) and clause 16 (*Costs and Expenses*) have been paid or the Utilisation request provides for an authority to the Agent to deduct such fees, costs and expenses from the proceeds of the Utilisations.
2. The Borrower will provide the following through a certificate from a director of their company:
 - (i) confirmation of end-use of previous utilizations
 - (ii) confirmation of the representations and warranties.
 - (iii) confirmation of no default or potential default.
3. Such documents and/or evidence of steps taken as may be deemed necessary or desirable by, acting reasonably, the Agent (or any legal counsel to the foregoing).
4. Certificate issued by the statutory auditor and a director confirming the addition of registered subscribers
5. The Borrower may also be required to provide any further financial statements that may be required by the Lenders.

SCHEDULE 2

PART-III

Security/ Contractual Comfort Related Documents to be provided by the Borrower

1 General

- 1.1 A copy of the constitutional documents of each of the Obligors or confirmation that there has been no change to the constitutional documents of the Borrower to those delivered under Part I of this Schedule 2 since the date of delivery, in the event the security is being created post first Utilisation Date.
- 1.2 A copy of a resolution of the board of directors of each of the Obligors:
- a) approving the terms of, and the transactions contemplated by, the Security/ Contractual Comfort Documents and resolving that it execute the Security/ Contractual Comfort Documents;
 - b) authorising a specified person or persons to execute the Security Documents/ Contractual Comfort on its behalf; and
 - c) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Security Documents/ Contractual Comfort.
 - d) resolving to provide a power of attorney in pursuance to the Promoter NDU arrangement.
- 1.3 A specimen of the signature of each person authorised by the resolutions referred to above.
- 1.4 A certificate of an authorised signatory of each of the Obligors certifying that each copy document relating to it specified in this Part III of this Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date of the Security Documents.
- 1.5 Duly executed Security Trustee documents.

2. Security/ Contractual Comfort Documents

- 2.1 Confirmation from the Security Trustee that the Security Documents have been duly stamped, executed and delivered to the Security Trustee.
- 2.2 Confirmation of registration of any charge over secured assets, as may be required within the time frame specified under the relevant laws of the place where such assets are located.
- 2.3 Confirmation of filing of Forms 8 with the Registrar of Companies.
- 2.4 A copy of the consent obtained from the income tax authorities in India for the creation of Security under section 281 of the Income Tax Act, 1961 of India in accordance with clause 5A (*Conditions Subsequent*).
- 2.5 No objection certificates and *pari passu* letters from the Existing Creditors of the Borrower for the creation of Security in favour of the Security Trustee in accordance with clause 5A (*Conditions Subsequent*).

- 2.6 A certified true copy of a resolution of the shareholders of the Borrower passed in general meeting under and in accordance with Section 293(1)(a) of the Companies Act, 1956, authorising, inter alia, the creation of security contemplated under, and the execution of, this Agreement and the other Finance Documents.
- 2.7 A certified copy of the title search report for all the immovable properties which are being charged to the Lenders prior to creation of the Borrower Immovable Asset Charge.
- 2.8 Approval from TRAI with regard to the assignment of the DTH License along with any additional document that may be required to be entered into by TRAI.
- 2.9 A copy of Annexure P and Annexure W which would be filed in accordance with the NSDL regulations.

SCHEDULE 3

Utilisation Request

From: Bharat Business Channel Limited

To: IDBI Trusteeship Services Limited (as Agent)

Dated: _____

Dear Sirs

Bharat Business Channel Limited - **up to rupees ten billion (10 billion) Facility Agreement** dated _____ and any amendments thereto (the "Agreement")

1. We refer to the Agreement. This is a Utilisation Request. Terms defined in the Agreement shall have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow a Loan on the following terms:

Proposed Utilisation Date: _____ (or, if that is not a Business Day, the next Business Day)

Amount: _____ or, if less, the Available Facility

3. We confirm that each condition specified in clause 4.2 (*Further conditions precedent*) is satisfied on the date of this Utilisation Request.

4. The proceeds of this Loan should be credited to: Account number: 000705035473, held with ICICI Bank Limited, Connaught Place Branch, New Delhi.

5. We confirm that no Default has occurred and is continuing.

6. We hereby repeat each Repeating Representation.

7. We hereby authorise you to deduct from the proceeds of the Utilisation any fees, costs and expenses which are due and payable by us to you and pay us the remaining sums.

[description of expenses may be inserted here]

8. This Utilisation Request is irrevocable.

for and on behalf of

Bharat Business Channel Limited

Name: _____

Title: _____

SCHEDULE 4

Form of Transfer Certificates

To: IDBI Trusteeship Services Limited (as Agent)

From: _____ (the "Existing Lender") and _____ (the "New Lender")

Dated:

Bharat Business Channel Limited - up to rupees ten billion (10 billion) Facility Agreement dated _____ and any amendments thereto (the "Agreement")

We refer to the Agreement. This is a Transfer Certificate. Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.

We refer to clause 24.5 (*Procedure for transfer*) of the Agreement:

- a. [The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by assignment, all of the Existing Lender's rights, title and interest in the Facility, referred to in the Schedule hereto, in accordance with and subject to clause 24.5 (*Procedure for transfer*) of the Agreement.]¹

OR²

[The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender's Commitment, rights and obligations referred to in the Schedule in accordance with clause 24.5 (*Procedure for transfer*).]³

- b. The proposed Transfer Date is _____.
- c. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of clause 31.2 (*Addresses*) are set out in the Schedule hereto.
- d. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in sub-clause (c) of clause 24.4 (*Limitation of responsibility of Existing Lenders*).
- e. The purchase consideration of Rs. _____ (Rupees _____ only) (hereinafter referred to as "Purchase Consideration") is [paid/payable]⁴ by the New Lender to the Existing Lender on or before the Transfer Date (the payment and receipt there of, the Existing Lender doth hereby admit and acknowledge of and from the New Lender. This amounts to a privately negotiated arm's length transaction.

¹ Clause applicable in case of assignment only -ie. in case of fully disbursed facility.

² Please select as applicable

³ Clause applicable in case of novation- in case of disbursement by new lender

⁴ Please select as applicable.

- f. Subject to the payment of the Purchase Consideration by the New Lender, the execution of this Transfer Certificate shall result in an irrevocable [assignment, transfer and release]⁵ / [novation and release]⁶ unto the New Lender with effect from the Transfer Date of all the estate, right, title and interest in and to the security and the right, title and interest of the Existing Lender under the Agreement with respect to the Facility referred to in the Schedule hereto, free from all encumbrances or other impediments, absolutely and forever to the end and intent that the New Lender shall thereafter be deemed to be the full and absolute legal and beneficial owner thereof and legally and beneficially entitled to demand, receive and recover the same in its own name and right. Consequently, the Existing Lender shall have no obligation or liability whatsoever under the Finance Documents, or with respect to collection or procurement of receivables thereunder, with respect to the Facility referred to in the Schedule hereto.
- g. [The New Lender undertakes all the obligations of the Existing Lender under the Agreement, including but not limited to, the obligation to disburse the undrawn portion of the Facility to the Borrower.]⁷
- h. The New Lender shall have the sole and absolute right of collecting all the receivables arising out of such Facility in such manner as the New Lender in its absolute discretion decides from the Transfer Date.
- i. The New Lender expressly confirm and undertakes that it shall bear all costs and expenses in relation to any stamp duty, levy, fines, penalties other duties, taxes present or future, as may be levied on this Transfer Certificate, the Agreement or the Finance Documents.
- j. The execution, delivery and performance of the provisions of this Transfer Certificate has been duly authorised by all requisite corporate actions and this Transfer Certificate has been duly executed and delivered by the Existing Lender and the New Lender in accordance thereof. This transaction is as authorised by their respective Articles of Association and Memorandum of Association.
- k. This Transfer Certificate may be executed in any number of counterparts.
- l. This Transfer Certificate is governed by Indian law. Any dispute arising under this Transfer Certificate is subject to exclusive jurisdiction of courts of New Delhi, in India.

THE SCHEDULE (to each Transfer Certificate)

Transfer Details:

Details of the Facility transferred:

Facility Name: {Facility }⁸
 Total Amount: { }
 Drawn Amount: { }
 [Undrawn Amount: { }]⁹

Administration Details of New Lender:

New Lender's Receiving Account: { }
 Address of Lending Office: { }
 Telephone: { }
 Facsimile: { }
 Attn/Ref: { }

For and on behalf of
 { insert name of Existing Lender }

For and on behalf of
 { insert name of New Lender }

⁵ Applicable in case of assignment -te. if the Facility is fully disbursed.

⁶ Applicable in case of novation.

⁷ This clause to be deleted in case of assignment of the disbursed portion of the Facility and to be retained in case of novation of the undisbursed portion of the Facility.

⁸ Name of the Facility, eg. Facility A.

⁹ Only applicable in case of novation.

(Sign) _____
Name: { □ }
Title: { □ }

The Novation as above is hereby agreed to and confirmed.

For and on behalf of
Bharat Business Channel Limited

[Required only in case of novation]

The Novation as above is hereby agreed to and confirmed.

For and on behalf of
{ insert names of all Lenders other than the Existing Lender }¹⁰

(Sign) _____
Name: { □ }
Title: { □ }

(Sign) _____
Name: { □ }
Title: { □ }

This Transfer Certificate is accepted by the Agent and the Transfer Date is confirmed as { □ }.

For and on behalf of
[__insert Agent's name__]

(Sign) _____
Name: { □ }
Title: { □ }

[Agent]

¹⁰ this portion to be applicable only in case of novation.

SCHEDULE 6

Timetables

“D -” refers to the number of Business Days before the relevant Utilisation Date or the first day of the relevant Interest Period (as the case may be).

Delivery of a duly completed Utilisation Request (clause 5.1 (<i>Delivery of a Utilisation Request</i>))	D-3 11am
Agent notifies the Lenders of the Loan in accordance with clause 5.4(c) (<i>Lenders’ participation</i>)	D-1 11am
Benchmark is fixed	Quotation Day as of 11am India time

SCHEDULE 7

Repayment Schedules

<u>From First Utilization Date</u>	<u>% of Facility</u>
End of 39 months	2.50%
End of 42 months	2.50%
End of 45 months	2.50%
End of 48 months	2.50%
End of 51 months	5.00%
End of 54 months	5.00%
End of 57 months	5.00%
End of 60 months	5.00%
End of 63 months	10.00%
End of 66 months	10.00%
End of 69 months	12.00%
End of 72 months	12.00%
End of 75 months	12.00%
End of 78 months	14.00%

SCHEDULE 8

Project milestones

None

SCHEDULE 9

Existing and Permitted Encumbrances

PART A

Existing Encumbrances

<u>Name of Obligor</u>	<u>Security</u>	<u>Total Principal Amount of Indebtedness Secured</u>
Bharat Business Channel Limited	1) 1 st Charge on entire Movable and Immovable fixed assets of the Borrower 2) 1 st Charge on entire current assets of the Borrower present and future 3) Assignment of all contracts, all government authorisation, licenses, and insurance policies of the Borrower. 4) Charge on Debt Service Reserve A/c (DSRA) equivalent to one quarter of debt servicing.	Rs. 895 Crores

PART B

Permitted Encumbrances

Encumbrance created to secure the Additional Debt.

SCHEDULE 10

Permitted Borrowings

The Borrower would be allowed to raise Additional Debt (provided financial covenants as per clause 20 is complied with after such indebtedness)

SCHEDULE 11

Permitted Disposals

Such disposal, in any financial year, having a cumulative value not exceeding of Rs 500.0 million, subject always to prior written consent of the Lenders.

SCHEDULE 12

FORM OF THE ACCESSION DEED

To: IDBI Trusteeship Services Limited (as Agent)

From: [The New Lender] (the “**New Lender**”)

Dated:

Bharat Business Channel Limited - up to rupees ten billion (10 billion) Facility Agreement dated [•] and any amendments thereto (the “Agreement”)

We refer to the Agreement. This is an accession deed (“**Accession Deed**”). Terms defined in the Agreement have the same meaning in this Accession Deed unless given a different meaning in this herein.

We refer to clause 2.1A (*Syndication*) of the Agreement:

- a. The New Lender agrees to accede to the Facility and all of the Existing Lender’s rights, title and interest in the Facility, proportionate to the Commitment referred to in the Schedule hereto, in accordance with the terms of the Agreement.
- b. The proposed date of accession is the date on which this Accession Deed is signed (“**Accession Date**”)
- c. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of clause 31.2 (*Addresses*) are set out in the Schedule hereto.
- d. The New Lender expressly acknowledges the limitations on the Lenders obligations as set out in the Agreement.
- e. Subject to the execution of this Accession Deed shall result in a commitment of the New Lender upto an amount referred to in the Schedule hereto, with effect from the Accession Date and a proportionate interest towards all the estate, right, title and interest in and to the security and the right, title and interest of the Lenders under the Agreement with respect to the Facility, free from all encumbrances or other impediments, absolutely and forever till repayment of all Unpaid Sum. The New Lender shall thereafter be deemed to be the full and absolute legal and beneficial owner thereof and legally and beneficially entitled to demand, receive and recover the same in its own name and right.
- f. The New Lender undertakes all the obligations of the Lenders under the Agreement, including but not limited to, the obligation to disburse the undrawn portion of the Facility to the Borrower to the extent of its Available Commitments.
- g. The New Lender shall have the sole and absolute right of collecting all the receivables arising out of such Facility in such manner as the New Lender in its absolute discretion decides from the Accession Date.
- h. The New Lender expressly confirm and undertakes that it shall bear all costs and expenses in relation to any stamp duty, levy, fines, penalties other duties, taxes present or future, as may be levied on this Accession Deed.
- i. The execution, delivery and performance of the provisions of this Accession Deed has been duly authorised by all requisite corporate actions and this Accession Deed has been duly executed and delivered by the New Lender in accordance thereof. This transaction is as authorised by the articles of association and memorandum of association of the New Lender.

1. This Accession Deed is governed by Indian law. Any dispute arising under this Accession Deed is subject to exclusive jurisdiction of courts of New Delhi, in India.

THE SCHEDULE (to each Accession Deed)

Accession Details:

Details of the Commitment:

Facility Name: {Facility }¹¹

Total Amount: { }

Administration Details of New Lender:

New Lender's Receiving Account: { }

Address of Lending Office: { }

Telephone: { }

Facsimile: { }

Attn/Ref: { }

For and on behalf of
{ insert name of New Lender }

For and on behalf of
{ insert name of the Facility Agent }

(Sign) _____
Name: { }
Title: { }

(Sign) _____
Name: { }
Title: { }

¹¹ Name of the Facility, eg. Facility A.

SCHEDULE 13

DETAILS OF DISPUTED TAX LIABILITIES

Sr. No.	Company	Disputed Amount	Form of Dispute	As on
1	Bharat Business Channel Limited	4,46,973	Entertainment Tax	31-03-2010
2	Greenfield Appliances Private Limited	NIL	NA	31-03-2010
3	Dome-Bell Electronics India Private Limited	5,44,97,586	Income Tax	31-03-2010
4	Synergy Appliances Private Limited	NIL	NA	31-03-2010
5	Platinum Appliances Private Limited	NIL	NA	31-03-2010
6	Videocon Industries Limited	812.24 Million	Customs, Excise Duty, Service Tax, Sales Tax, Income Tax	30-09-2009

Address:
ICICI Bank Towers, NBCC Place, Bhisham
Pitamah Marg, Pragati Vihar,
New Delhi -110003

Attention: Suhasini Beri

Telephone: 011 24308314;
Fax: 011 24390070

Execution Version 181210

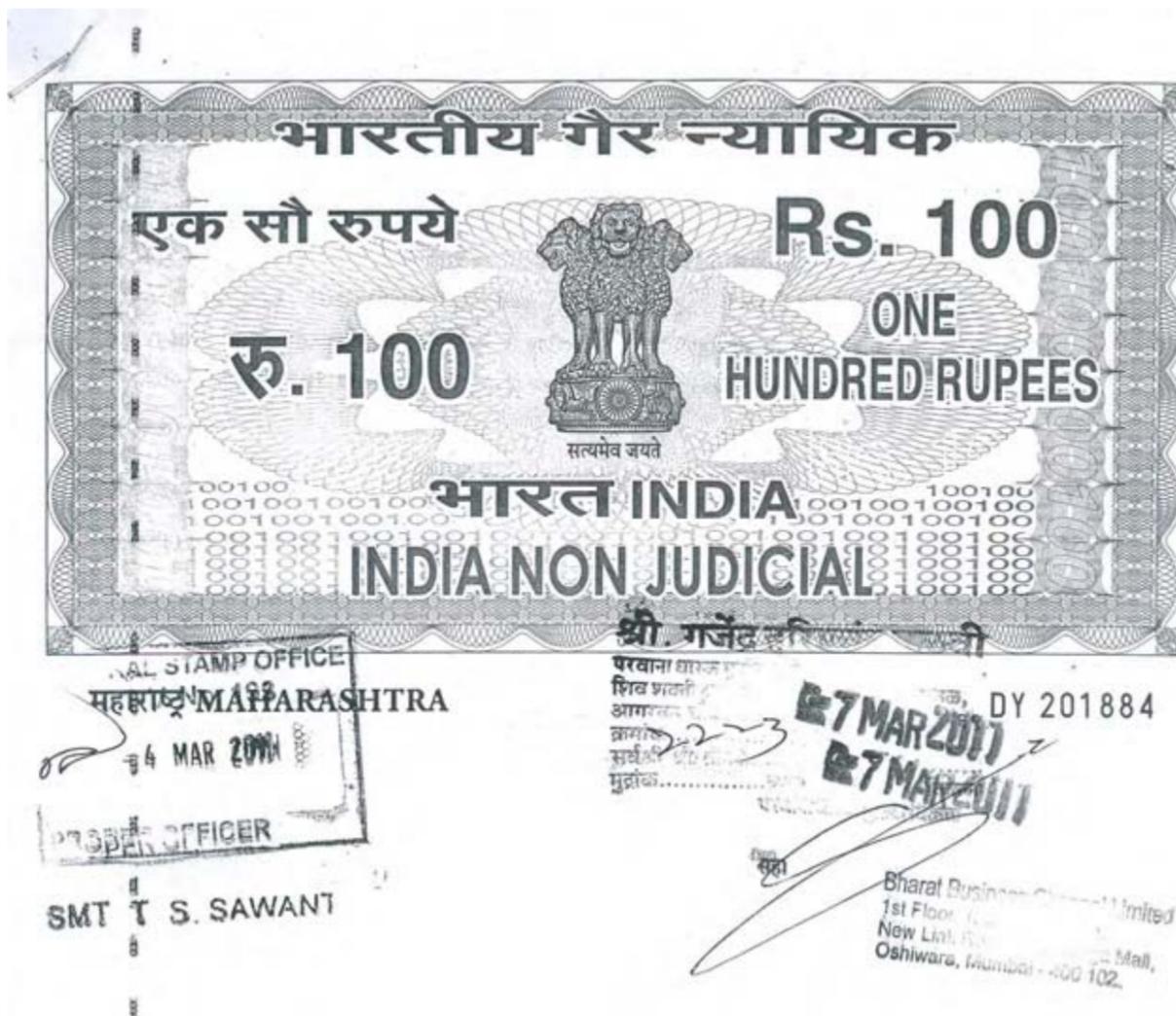
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Section 24: EX-10.18 (EXHIBIT 10.18)

Exhibit 10.18

PORTIONS OF THIS EXHIBIT MARKED BY **[**REDACTED**]** HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION



PURCHASE AGREEMENT

This CPE Purchase Agreement ("Agreement") is made at Aurangabad on this 11th day of March, 2011 by and between:

BHARAT BUSINESS CHANNEL LIMITED, a company incorporated and registered under the provisions of the Companies Act, 1956 and having its corporate office at first floor, Techweb Centre, New Link Road, Near Mega Mall, Oshiwara, Mumbai - 400102, Maharashtra, and Head End Office at Plot No.ID, Udyog Vihar, Industrial Area, Greater Noida, District Gautam Budh Nagar, UP 201301, India (hereinafter referred to as "**purchaser**") which expression shall also unless it be repugnant to the context or meaning thereof mean and include its successors in business and permitted assigns) of the **First Part**;

AND

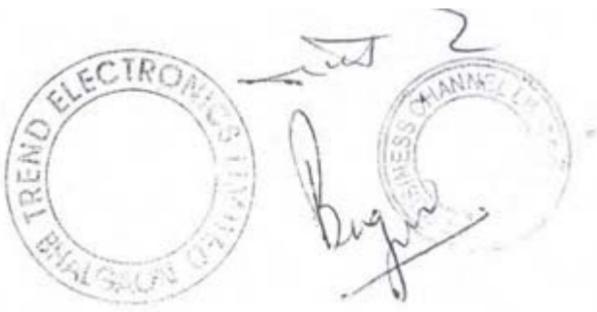
TREND ELECTRONICS, a company incorporated and registered under the provisions of the Companies Act, 1956 and having its registered office at 20 Km Stone, Aurangabad- Beed Road, Village Bhargaon, Aurangabad, Maharashtra, (hereinafter referred to as "**Vendor**" which expression shall also unless it be repugnant to the context or meaning thereof mean and include its successors in business and permitted assigns) of the **Second Part**.

The "**Purchaser**" and the "**Vendor**" are hereinafter individually and collectively referred to as "Party" and "Parties" respectively.

Whereas:

- a. The **Purchaser** under the license issued by the Ministry of Information and Broadcasting, Government of India, is in the business of establishing, maintaining and operating Direct to Home ("DTH") transmission services, to its subscribers in the territory of India ("DTH services"). The process takes place through a set-top box (STB) which is part of the Customer Premises Equipment (CPE) that is connected to a television which converts signal into content which is then displayed on the television screen or other display device.
- b. The **Vendor** is in the business of manufacturing of electronics and has shown its readiness to manufacture Set Top Boxes ("STBs") for Purchaser.
- c. The **Purchaser** has requested the **Vendor** to manufacture STBs and to sell them to the **Purchaser**.
- d. Pursuant to the said request, the **Vendor** having undertaken to manufacture STB's for the **Purchaser** on non exclusive basis, the parties herein have agreed to enter into this Agreement and perform their respective obligations contained hereinafter.

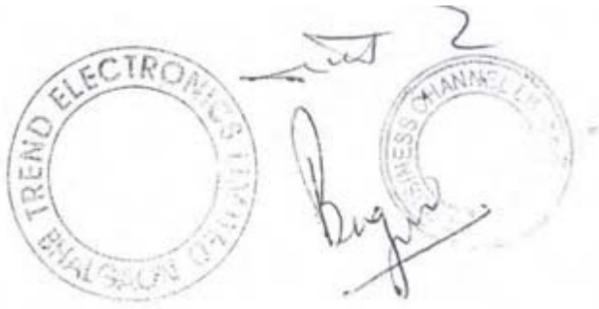
NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING PREMISES, MUTUAL PROMISES AND COVENANTS SET FORTH HEREINAFTER, CONSTITUTING GOOD AND VALUABLE CONSIDERATION, THE PARTIES ACCEPT AND WITNESSETH AS FOLLOWS:



The image shows two circular stamps and handwritten signatures. The left stamp is for "TREND ELECTRONICS LIMITED" with "BHARGAON" at the bottom. The right stamp is for "BUSINESS CHANNEL LIMITED". There are handwritten signatures in the center, including one that appears to be "Dy. Genl." and another that looks like "2".

1. DEFINITIONS AND INTERPRETATION:

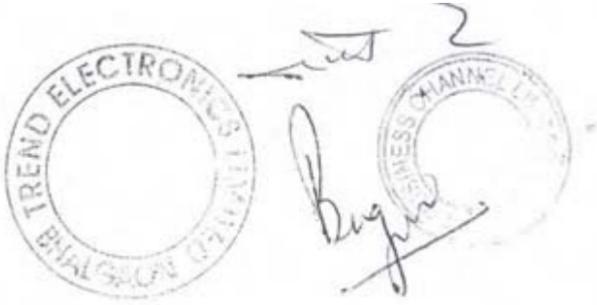
- 1.1. **“Agreement”** means this Agreement and includes any and all schedules, annexure and exhibits attached to it by reference and also include any extensions or addendums or amendments, to, if any, to this Agreement.
- 1.2. **“Claim”** means any claim, suit or action by any third party.
- 1.3. **“Delivery Material”** means the deliverables the **Vendor** provides to **Purchaser** as described in this Agreement.
- 1.4. **“Indemnifying party”** means the party assuming indemnification obligations under this Agreement, and **“indemnified party”** means all parties, including any third parties, which the indemnifying party agrees to indemnify under this Agreement.
- 1.5. **“Losses”** means any damages awarded and fines assessed in any Claim by a court of competent jurisdiction or pursuant to arbitration proceeding, any amounts due under Claim settlement, and any other costs or expenses incurred in complying with any injunctive or equitable relief or any settlement requirements.
- 1.6. **“Packaging”** would mean and include declarations, MRP, User Guide Book and any other information guide that may be included.
- 1.7. **Term** : The term shall be 5 years from Date of execution of this agreement and can be mutually extended by parties.
- 1.8. Any reference in this Agreement to any statute or statutory provisions shall be construed as including a reference to that statute or statutory provision as may be from time to time amended, modified, extended, re-enacted, whether before or after the date of this Agreement, as well as statutory instruments, orders and regulations for the time being in force.
- 1.9. Unless the context otherwise requires, words denoting the singular shall include the plural and vice-versa.



1.10. Unless otherwise stated, time and accuracy shall be the essence for the purposes of the parties' obligations under this Agreement.

2. PURCHASE ORDER, DELIVERY TERMS AND ESSENTIAL ELEMENTS:

- 2.1. The Vendor, during the term of this agreement, agrees to manufacture STBs in accordance with the specification of the Purchaser and the Purchaser also agrees to Purchase the Same from Vendor at mutually agreed Payment & other terms as mentioned in Annexure 1 to this Agreement. Once the terms are mutually agreed upon, manufacturing and delivery will be in accordance with the **Purchaser's** Purchase Order. Purchase Orders may be issued in hard copy or electronically. Time to time Parties by way of exchange of letters may agree to special rates for specific period, save increase of material cost.
- 2.2. Purchase Orders will state the number of STBs to be manufactured and delivered during the period covered by the Purchase Order, and other terms as mutually agreed. **Purchaser** shall provide the **Vendor** with exact configuration of products to be delivered with a reasonable lead time of 30 days.
- 2.3. To meet delivery time line the **Purchaser** will provide a forecast of six months and a rolling forecast of two months of requirement of STB to Vendor
- 2.4. The **Vendor** will purchase material to manufacture STBs according to specified quantity and delivery schedules set forth in Purchase Orders in effect from time to time during the term of this Agreement.
- 2.5. The details of specification, knowhow of STB manufactured for the Purchaser shall not be shared with third parties including other DTH operators, Digital cable operators. However it is clarified that this does not prevent Vendor to manufacture STB for such third parties at their own specifications.
- 2.6. The Delivery shall be made on a date as specified in the Purchase Order. The Delivery Material shall be delivered at godown as notified by the **Purchaser** from time to time.
- 2.7. The **Purchaser** can conduct regular inspections of the **Vendor's** premises for the purpose of ensuring adequate standards in the production of STBs and may keep some of its employee in Purchasers premises for quality check and coordination.
- 2.8. **Vendor** undertakes to submit the following to the **Purchaser**, on a regular basis:
 - a. Action taken on FCR Report



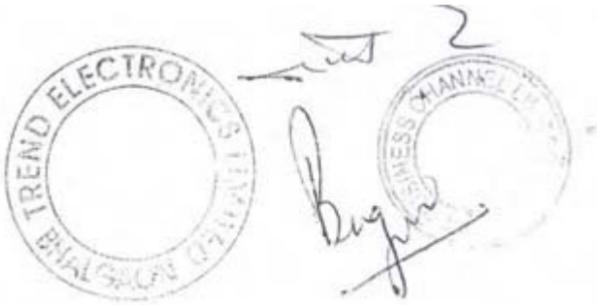
- b. Management Report
- c. Cost Reduction Strategy
- d. Development in Market and other market trends
- e. Research and Development updates

3. KNOW HOW / SMART CARD UTILIZATION:

- 3.1 The **Purchaser** shall provide to the **Vendor** details involved in the decoding of its DTH encrypted signals, Access Card (Smart card), for STBs.
- 3.2 The **Vendor** shall manufacture STBs as per the requirement of the **Purchaser**.
- 3.3 The Vendor shall package the STBs in accordance with the format provided by the **Purchaser**.
- 3.4 The Smart card shall be provided free of cost by Purchaser for STB as specified by Purchaser.
- 3.5 The Vendor shall keep proper accounting of smart cards supplied by Purchaser and ensure that it is not being misused, The Purchaser shall have right to Audit use and utilization of Smart Cards.
- 3.6 The Vendor will procure necessary test jigs/equipment/software at their own cost as required for the manufacture of the STB as per specification provided by the Purchaser.

4. PAYMENT TERMS:

- 4.1 Subject to and in consideration of the performance and observance by the **Vendor** of all its warranties and on the delivery of Delivery Materials under this Agreement, the **Purchaser** agrees to pay and the **Vendor** agrees to accept the Payment as is negotiated between the parties from time to time either through Purchase Order or exchange of letters.
- 4.2 Invoices shall state the correct quantity of Delivery Material and the price. The invoice date shall be no earlier than delivery date. Acceptance of partial payment will not be a waiver of the right to be paid the remaining dues.
- 4.3 The **Vendor** shall bear the costs of packaging, agreed insurance and transportation of the Delivery Materials to the destination specified by the **Purchaser**.
- 4.4 The **Purchaser** shall not be responsible for any extra costs arising from any manufacturing related delays, cancellations, extra shifts or increase in working hours. However it is agreed that Purchaser shall be liable for any other costs incurred by the **Vendor** over and above the anticipated costs.



- 4.5 All sums payable under this Agreement shall be subject to levies or cesses that may be applicable as per the statutes or law in India. All applicable taxes, if any, shall be payable by Purchaser.
- 4.6 The Vendor acknowledges and agrees that the Vendor will be responsible for all amounts regarding worker's compensation insurance. The Vendor shall further ensure that all necessary insurance, to cover any claims against the Vendor or the **Purchaser** arising from the manufacture of STBs has been obtained and maintained at all times. Vendor warrants and represents that it will make all necessary payments due to governmental and other agencies to comply with the foregoing and will indemnify and hold the **Purchaser** harmless against all claims, damages, costs and expenses including reasonable attorney's fees arising out of any breach of the foregoing.

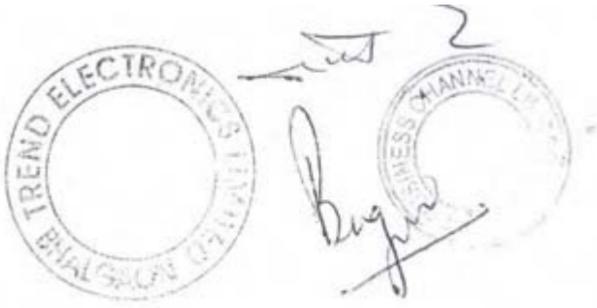
5. WARRANTIES, REMEDIES AND LIMITATION OF LIABILITY

5.1 Each Party represents and warrants to the other Party that:

- a. It has full authority and all rights (including all necessary licenses and approvals from competent authorities) necessary to enter into this Agreement and to perform its obligations hereunder; and
- b. upon execution hereof, this Agreement shall be legally binding and enforceable against itself.

5.2 Warranties by the Vendor

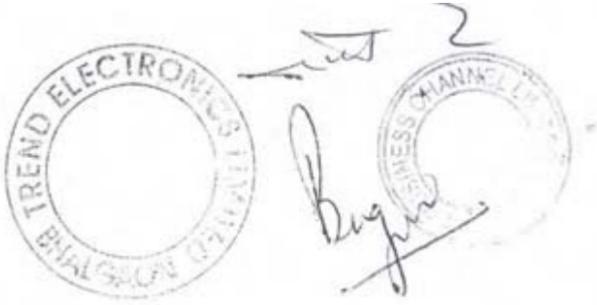
- a. The **Vendor** warrants that it has the requisite power and authority to enter into this Agreement and to fully perform its obligations hereunder and it has not entered and shall not enter into any agreement that may conflict with its obligations under this Agreement.
- b. The **Vendor** warrants that the STBs will strictly be manufactured on the lines of requirement provided to it by the **Purchaser** and packaged as per the format supplied by the **Purchaser**
- c.
- d. The **Vendor** warrants that it shall maintain the standard of STBs relevant to this agreement as prescribed by **Purchaser** for the duration of this agreement.
- e. The **Vendor** warrants to the **Purchaser** that each STB shall be free from defects in workmanship for the period of 12 months from date of invoice.



- f. However, the **Purchaser** agrees that the warranty shall not apply to:
1. STB that is abused, damaged, altered or misused other than by the **Vendor**, or
 2. STB damaged by external causes not directly attributable to the **Vendor**.
- g. Delivery Materials shall be considered free from defects in workmanship if they are manufactured in accordance with manufacturing workmanship standards which conform to the technical specifications as informed to the Vendor and is certified by the Purchaser in writing from time to time.
- h. Product warranty is the only warranty given by the **Vendor**. The **Vendor** makes, and the **Purchaser** receives, no other warranty either expressed or implied. Unless expressly agreed to by the **Vendor** in writing, the **Vendor** makes no warranty that the products will:
1. meet any specification not made known to and agreed to by the Vendor, or
 2. receive the approval of or be certified by any laboratory, state, local or foreign government agency or any other person or entity (“regulatory standards”).
- i. The **Vendor** warrants that the **Purchaser’s** exclusive remedy for any breach of warranty shall be repairs by the **Vendor** at his own costs, or replacement of the defective Delivery Material and Vendor shall not be liable for any other consequential loss, damage of Purchaser.
- j. The **Vendor’s** warranty obligations will cease only upon completion of the agreed warranty period i.e. 12 months from date of invoice The **Vendor** warrants that it has neither created nor would create any charge, lien, mortgage or any other encumbrance on the said Delivery **Material** or on any of its elements in favour of any person whatsoever.

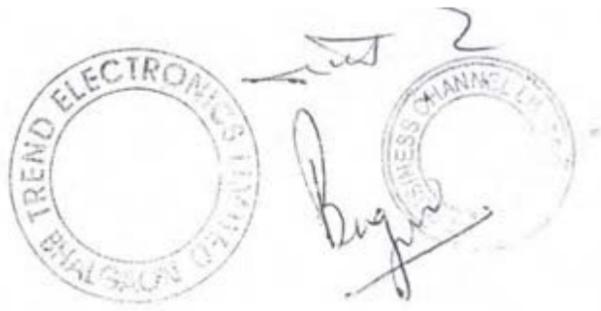
5.3 Warranties by the Purchaser

- a. The **Purchaser** warrants that it has the requisite power and authority to enter into this Agreement and to fully perform its obligations hereunder and it has not entered and shall not enter into any agreement that may conflict with its obligations under this Agreement. b. Also it shall provide to the Vendor the format for the packaging of the STBs.



6. **INVENTORY INDEMNIFICATION:**

- 6.1 Upon cancellation of a Purchase Order, or upon expiration of this Agreement or termination of this Agreement for any reason, the **Purchaser** shall be responsible for:
- a. all finished Delivery Material scheduled for delivery within the 30 days immediately following **Vendor's** receipt of the cancellation or termination notice;
 - b. all work-in-process, scheduled in accordance with the **Purchaser's** cancelled Purchase Order and the **Vendor's** agreed upon lead times for production of STBs at receipt of the Notice.
 - c. The **Purchaser** shall have to pay finished Delivery Material fees under subparagraph (a) or (b) above, for Delivery Materials built in advance of the agreed upon lead times; and all components, subassemblies and other material purchased in accordance with agreed upon lead times for production of STBs and to fill a Purchase Order or authorized to be purchased by the **Purchaser** which are on hand or on order at receipt of the Notice.
 - d. Within 30 days from the termination or cancellation, the **Vendor** shall document the Termination Inventory [specifying details as per sub-paragraphs (a), (b) and (c)] and the **Purchaser** and the **Vendor** shall review and agree on the contents of the said Termination Inventory.
- 6.2 Each Party shall indemnify, defend and hold harmless the other Party and its officers, directors, employees and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages and expenses (including but not limited to reasonable attorneys' fees) arising out of any breach by the indemnifying Party) of any provision herein.
- 6.3 The **Vendor** shall indemnify, defend, and hold harmless the **Purchaser** and its officers, directors, employees, and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages, and expenses (including, without limitation, reasonable attorneys' fees) arising out of or in connection with breach of any of the warranties and representations provided by the **Vendor**, other provisions of this Agreement, applicable laws, rules, regulations and Codes etc., and



6.4 The **Purchaser** shall indemnify, defend, and hold harmless the **Vendor** and its officers, directors, employees, and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages, and expenses (including, without limitation, reasonable attorneys' fees) arising out of or in connection with breach of any of the warranties and representations provided by the **Purchaser**, other provisions of this Agreement, applicable laws, rules, regulations and Codes etc.

6.5 Under no circumstances shall either Party be liable to the other for any indirect, special or consequential loss or damages arising under this Agreement.

7. **TERM AND TERMINATION:**

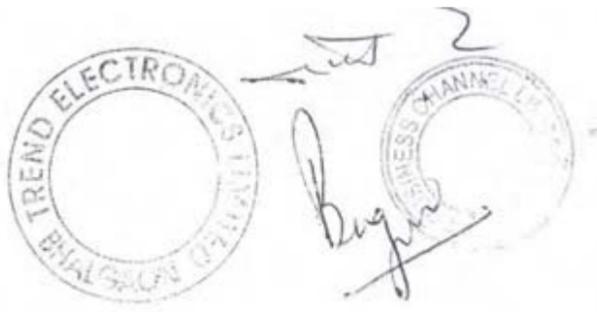
7.1 Unless terminated earlier in accordance with the provisions of this Agreement, this Agreement shall come into force on 11th day of March, 2011 (Effective Date) and shall continue to be in force for a period of five years thereafter. It is possible for the parties to renew the Agreement before or after its expiry for a period that may be mutually decided by the parties.

7.2 This Agreement may be terminated by either party upon the occurrence of any one or more of the following events after giving a notice of 180 days to the other party:

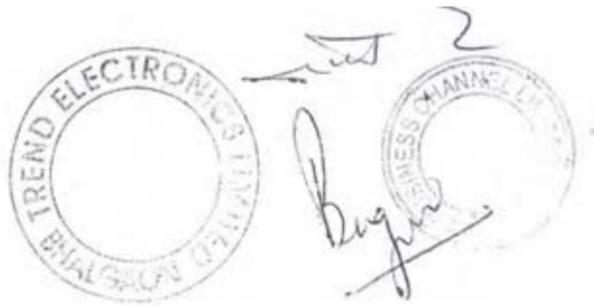
a) failure by either party to perform any of its material performance obligations under this Agreement and to cure such failure within 90 days after receipt of written notice describing the failure in sufficient detail, or if the failure cannot be completely cured within 45 days, failure to make substantial progress towards a cure within the 45 days period

8. **CONFIDENTIALITY:**

8.1 The **Vendor** undertakes to maintain the confidentiality of information that is supplied to it by the **Purchaser**. The **Vendor** warrants that it shall not disclose or make available to any person, third party or otherwise any information ("Confidential information") pertaining to the manufacture of STBs that has been provided to it by the **Purchaser**. The **Vendor** shall use all its reasonable endeavors to prevent the disclosure of any such Confidential Information by any third party, provided however that the **Vendor** may disclose Confidential Information to a third party, but only to the extent such information is:



- a. already in the public domain or becomes available to the public other than through the act or omission of the Party disclosing such information in violation of this Agreement; or
 - b. required to be disclosed pursuant to any governmental or judicial order; or
 - c. disclosed to its officers, employees, directors or professional advisors, provided that the **Vendor** shall procure that such persons shall undertake to treat such confidential information as confidential; or
 - d. is lawfully acquired by the **Vendor** from an independent source having no obligation to maintain the confidentiality of such information;
 - e. was or is independently developed by the **Vendor** without breach of this Agreement.
- 8.2 The **Vendor** warrants that it shall not employ the techniques or information of any kind bearing relation to the manufacture of STBs which is supplied to it by the **Purchaser** for the purpose of manufacturing STBs of the **Purchaser's** competitor.
- 8.3 Neither Party shall disclose or make available to any person, third party or otherwise any financial information or information pertaining to this Agreement ("Confidential Information") and shall use all its reasonable endeavors to prevent the disclosure of any such Confidential Information by any third party, provided however that the Parties may disclose Confidential Information to a third party, but only to the extent such information is:
- a. already in the public domain or becomes available to the public other than through the act or omission of the Party disclosing such information in violation of this Agreement; or
 - b. required to be disclosed pursuant to any governmental or judicial order; or
 - c. disclosed to its officers, employees, directors or professional advisors, provided that such Party shall procure that such persons shall undertake to treat such confidential information as confidential; or
 - d. is lawfully acquired by either Party from an independent source having no obligation to maintain the confidentiality of such information; or
 - e. was lawfully known to either Party prior to its disclosure pursuant to this Agreement; or
 - f. was or is independently developed by the receiving Party without breach of this Agreement.



8.4 No announcement, press release or other comment relating to this Agreement or any matter referred to in it shall be made by or on behalf of either Party without the prior written approval of the other Party.

8.5 The Parties shall not disclose any information or data concerning any aspect of each other's operations, existing or future to any person, third party or otherwise.

9. NOTICES:

All notices, requests, consents and other communication under this Agreement ("Notices) shall be in writing and shall be sent by:

- a. Registered mail; or
- b. Courier; or
- c. Personal delivery to the respective Parties at the addresses set forth herein.

On the following addresses unless otherwise notified:

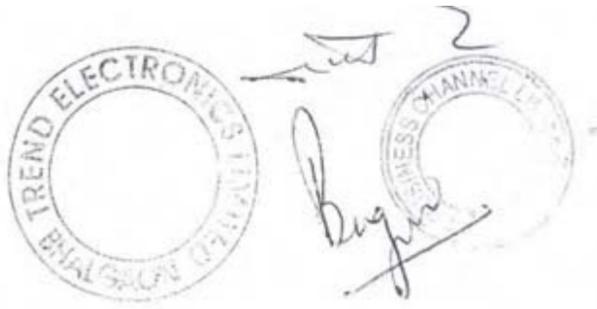
Any notice given in accordance with sub-paragraph (a) or (b), shall be deemed to have been given 7 days after having been mailed.

10. FORCE MAJEURE:

10.1 For the purpose of this Agreement, the term "Force Majeure Event" shall mean an event or cause beyond the reasonable control of the Party claiming force majeure and not attributable to any default of that Party (including a suspension of either Party's license to perform obligations hereunder except due to a fault of such Party), war, riots, strikes, lock-out, fire, terrorism, acts of God or other natural catastrophes.

10.2 On account of a Force Majeure Event, if either Party cannot perform its obligations for at least sixty (60) days, then either Party shall be entitled to terminate this Agreement on giving the other Party fourteen (14) days written notice.

10.3 During the subsistence of any Force Majeure Event, obligations of either Party shall be temporarily suspended.



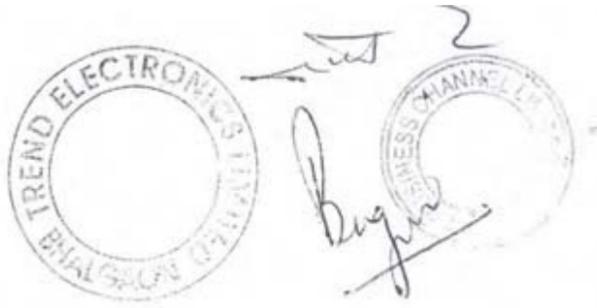
11. GOVERNING LAW AND JURISDICTION:

This Agreement shall be governed by and construed in accordance with the laws of India and the Courts at Aurangabad shall have exclusive jurisdiction to adjudicate upon the disputes between the parties hereto.

12. ARBITRATION:

The parties hereto undertake that any dispute which may arise between them shall first be dealt with in the manner stated below, irrespective of the other recourse, which any party may have in law or in equity.

- 12.1 If any dispute arises between the parties hereto during the subsistence of this Agreement or thereafter, in connection with the validity, interpretation, implementation or alleged material breach of any provision of this Agreement or regarding a question, including the questions as to whether the termination of this Agreement by one Party hereto has been legitimate, both the Parties hereto shall endeavour to settle such dispute amicably. If the Parties fail to bring about an amicable settlement within a period of 45 days, either Party to the dispute may give 30 days notice of invocation of arbitration provisions contained herein, to the other Party in writing.
- 12.2 In the case of such failure, the dispute shall be referred to a sole Arbitration Tribunal. The **Vendor** and the **Purchaser** shall mutually appoint sole Arbitrator.
- 12.3 The venue of arbitration shall be at Aurangabad, Maharashtra.
- 12.4 The Arbitration proceeding shall be governed by the Arbitration and Conciliation Act, 1996.
- 12.5 The proceedings of arbitration shall be in English language.
- 12.6 The Arbitrator's award shall be substantiated in writing. The costs of arbitration procedure shall be borne equally by the parties.
- 12.7 The Parties hereto shall submit to the Arbitrator's award and the award shall be enforceable in any competent court of law.



The image shows two circular stamps and handwritten signatures. The left stamp is for 'TREND ELECTRONICS INDIA PVT. LTD.' and the right stamp is for 'BUSINESS CHANNEL LTD.'. There are handwritten signatures in blue ink over the stamps, and a handwritten number '2' above the right stamp.

13. COUNTERPARTS:

This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each Party hereto and delivered to the other Party hereto.

14. INVALIDITY:

The invalidity, illegality or unenforceability of any one or more provisions of this Agreement shall not affect or limit the validity, legality or enforceability of the other provisions, and the Parties hereto shall use their best endeavors to attain the objective of the invalid provisions by replacing it with a new legally acceptable provision which reflects as far as possible the original intentions of the Parties.

15. SECTION TITLES:

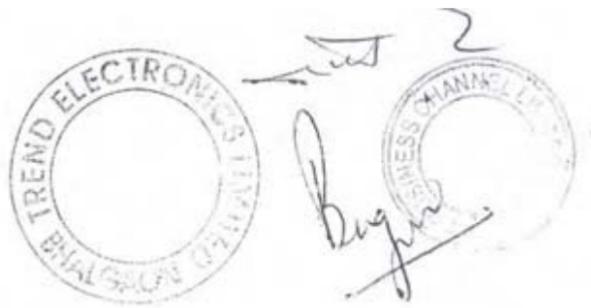
Section titles are for descriptive purposes only and shall not affect, control or alter the meaning of this Agreement as set forth in the text. Any reference to clause and sub-clause shall mean clauses and sub-clauses to this Agreement.

16. WAIVER:

The failure of either Party hereto to exercise any right, power or option given to it under this Agreement in the event of a breach of this Agreement by the other Party shall not constitute a waiver of the terms and conditions of this Agreement with respect to any subsequent breach thereof, nor a waiver by that Party of its rights at any time thereafter to require strict compliance with all the terms of this Agreement.

17. NO PARTNERSHIP:

The Vendor agrees that the **Purchaser** has retained the **Vendor** solely for the purposes and to the extent set forth in this Agreement, and **Vendor** shall not be considered, under the provision of this Agreement or otherwise, as having the status of a partner or agent of the **Purchaser** or being entitled to share in any of the benefits which the **Purchaser** may derive from the commercial exploitation of the STBs.



The image shows two circular stamps and handwritten signatures. The left stamp is for 'TREND ELECTRONICS' and the right is for 'BUSINESS CHANNEL'. There are handwritten signatures over the stamps, including one that appears to be 'Bijay' and another that looks like 'Sant' with a '2' above it.

18. ENTIRE AGREEMENT:

This Agreement supersedes any previous correspondence or agreement (whether oral or written) between the Parties in relation to the matters dealt with herein and (together with any other written agreements of the Parties with respect to the matters dealt with herein) represents the entire understanding between the Parties in relation thereto.

19. ASSIGNMENT:

This Agreement, and the rights and obligations of the **Purchaser** under this Agreement shall be assignable to an Affiliate of the **Purchaser** and to any or all-financial institutions providing financing to the **Purchaser**.

20. STAMP DUTY AND REGISTRATION:

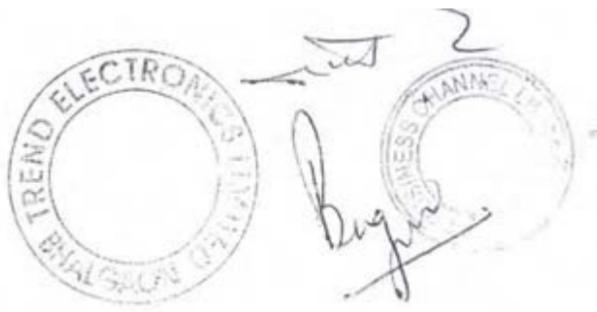
Any stamp duty payable on this Agreement shall be borne by the **Purchaser** and **Vendor** equally.

21. MISCELLANEOUS

21.1 Words and phrases defined in this Agreement shall have the same meaning ascribed to them under this Agreement or under the applicable laws, rules, regulations and guidelines that are presently applicable or which may become applicable in the future.

21.2 The **Vendor's** liability for any product claim shall not exceed the purchase price of the Products for which the claim is made.

21.3 This Agreement is intended solely for the benefit of the executing parties and their permitted successors and assigns. No other person or entity shall have any rights under or in connection with this Agreement.



The image shows two circular stamps and handwritten signatures. The left stamp is for 'TREND ELECTRONICS LIMITED' and the right is for 'BUSINESS CHANNEL LIMITED'. There are handwritten signatures over the stamps, including one that appears to be 'Bijoy' and another that is less legible. There are also some handwritten marks above the stamps, possibly '2' and some scribbles.

21.4 Neither Party may sell, transfer or assign any right, duty or obligation granted or imposed upon it under this Agreement without the prior written consent of the other party.

IN WITNESS WHEREOF the Parties hereto have hereunto set and subscribed their respective hands effective as of the day and year first hereinabove written.

Agreed and Accepted

Agreed and Accepted

For and behalf of the **Purchaser**

For and behalf of the **Vendor**

/s/ Anil Khera _____

/s/ Jagadish Bangad _____

ANIL KHERA _____

JAGADISH BANGAD _____

(C.E.O) _____

(A.V.P) _____

Date: _____

Date: _____



Annexure 1 (Product Costing)

Description

[**Redacted**]

Agreed & Accepted

For & Behalf of the Purchaser

/s/ Anil Khera

ANIL KHERA

C.E.O

Agreed & Accepted

For & Behalf of the Vendor

/s/ Jagadish Bangad

JAGADISH BANGAD

A.V.P



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Section 25: EX-23.1 (EXHIBIT 23.1)

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form F-4 of our report dated March 26, 2014, relating to the balance sheet of Silver Eagle Acquisition Corp. (a corporation in the development stage), as of December 31, 2013, and the related statement of operations, changes in stockholders' equity, and cash flows for the period from April 11, 2013 (date of inception) to December 31, 2013, and to the reference to our Firm under the caption "Experts".

/s/ Rothstein Kass
Roseland, New Jersey
March 3, 2015

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Section 26: EX-23.2 (EXHIBIT 23.2)

Exhibit 23.2

KHANDELWAL JAIN & CO.

Website: www.kjco.net • E-mail: kjco@kjco.net

**CHARTERED
ACCOUNTANTS**

6-B, Pil Court, 6th Floor,
111, M. Karve Road, Churchgate,
Mumbai - 400 020.
Tel.: (+91-22) 4311 5000
Fax : 4311 5050

12-B, Baldota Bhavan, 5th Floor,
117, M. Karve Road, Churchgate,
Mumbai - 400 020.
Tel.: (+91-22) 4311 5000
Fax : 4311 5050

Consent of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders

Videocon d2h Limited
1st Floor, Techweb Centre
New Link Road
Oshiwara Jogeshwari (West)
Mumbai 400 102, Maharashtra
India

We consent to the use of our reports included herein relating to Videocon d2h Limited's audited financial statements (restated) as of and for the fiscal years ended March 31, 2013 and 2014 and Videocon d2h Limited's unaudited interim financial statements (restated) as of and for the six months ended September 30, 2014 and to the reference to our firm under the heading "Independent Registered Public Accounting Firms" in the prospectus.

The above consent letter has been issued for the limited purpose as detailed in the immediately preceding paragraph and should not be used or issued to anyone without our prior consent.

/s/ Khandelwal Jain & Co.

Khandelwal Jain & Co.
Chartered Accountants

Place: Mumbai, India

Date: March 2, 2015

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Section 27: EX-23.3 (EXHIBIT 23.3)



To
The Board of Directors
Videocon d2h Limited
Auto Cars Compound, Adalat Road
Aurangabad 431 005, Maharashtra, India

Re: Use of excerpts from Indian DTH Market Overview – Key Dynamics & Future Outlook 2015 [– March 2015] by Videocon d2h (the “Company”) in connection with the proposed capital raising

Dear Sirs:

We refer to your letter dated 02nd March, 2015 and with reference to the above, we consent to, and have no objection to the use of, our name Media Partners Asia (MPA) and report “*DTH Market Overview – Key Dynamics & Future Outlook 2015 [– March 2015]*” dated 02nd March, 2015 (“**Report**”) or any extract thereof, in any document issued by the Company in connection with raising further capital in India and/or overseas, including through a listing on stock exchanges in India or overseas stock exchanges in the United States of America (NASDAQ or NYSE), in accordance with applicable laws (the “**Issue**”).

We confirm that we have, where required, obtained requisite consents in relation to any information used by us in the Report. We understand that such inclusion of our name or information from the Report and the related disclosures would be made by the Company, as it deems fit for the Issue, and this consent does not impose any obligation on the Company to make any or all of the disclosures for which the consent is being sought in terms of the aforesaid, and granted in terms of this letter.

We represent that our execution, delivery and performance of this consent have been duly authorized by all necessary action (corporate or otherwise).

We agree to keep the information regarding the Issue strictly confidential.

Sincerely

For Media Partners Asia Limited
Authorised Signatory

Name: Vivek Couto
Designation: Executive Director
Date: March 2, 2015

Hong Kong / Suite 13A, 50 Stanley Street, Central, Hong Kong /Tel: +852 2815 8710 /Fax: +852 2815 8730
India /10/F Tower 2A, One Indiabulls Centre, Elphinstone Rd, Mumbai /Tel: +91 22 4332 7595
Singapore / 8 Cross Street #28-38, Singapore 048424/ Tel: +65 6850 7623

info@media-
partners-
asia.com
www.media-
partners-
asia.com

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Section 28: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1

**FOR THE SPECIAL MEETING IN LIEU OF 2015 ANNUAL MEETING OF STOCKHOLDERS OF
SILVER EAGLE ACQUISITION CORP.**

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

PROXY

The undersigned hereby appoints James A. Graf and Jeff Sagansky (together, the “Proxies”), and each of them independently, with full power of substitution, as proxies to vote the shares that the undersigned is entitled to vote (the “Shares”) at the Special Meeting in Lieu of 2015 Annual Meeting of Stockholders of Silver Eagle Acquisition Corp., (the “Company”) to be held on [] at [] a.m., Eastern Time, and at any adjournments and/or postponements thereof. Such Shares shall be voted as indicated with respect to the proposals listed and in the Proxies’ discretion on such other matters as may properly come before the special meeting or any adjournment or postponement thereof.

The undersigned acknowledges receipt of the enclosed proxy statement and revokes all prior proxies for said meeting.

THE SHARES REPRESENTED BY THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER. IF NO SPECIFIC DIRECTION IS GIVEN AS TO THE PROPOSALS, THIS PROXY WILL BE VOTED FOR PROPOSALS 1, 2 AND 3. PLEASE MARK, SIGN, DATE AND RETURN THE PROXY CARD PROMPTLY.

Please mark

vote as indicated A^v
in this example

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” PROPOSALS 1, 2 AND 3.

- (1) To approve the Contribution Agreement, dated as of December 31, 2014, as amended as of February 3, 2015, and as may be further amended, between Videocon d2h Limited and Silver Eagle Acquisition Corp. (the “Contribution Agreement”), and the transactions contemplated thereby. **FOR AGAINST ABSTAIN**

Intention to Exercise Redemption Rights — if you intend to exercise your redemption rights, please check this box. Checking this box, however, is not sufficient to exercise your redemption rights. You must comply with the procedures set forth in the definitive proxy statement under the heading “Special Meeting in Lieu of 2015 Annual Meeting of Silver Eagle Stockholders — Redemption Rights.”

REDEMPTION RIGHTS

Shareholder Certification — I hereby certify that I am not acting in concert, or as a “group” (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended), with any other shareholder with respect to the shares of common stock of Silver Eagle Acquisition Corp. owned by me in connection with the proposed business combination between Silver Eagle Acquisition Corp. and Videocon d2h Limited.

SHAREHOLDER CERTIFICATION

- (2) To approve the dissolution of Silver Eagle, including a plan of dissolution, which provides for the liquidation and dissolution of Silver Eagle following the completion of the transactions contemplated by the Contribution Agreement; **FOR AGAINST ABSTAIN**

- (3) To approve the adjournment of the special meeting to a later date or dates, if the Company determines that there are not sufficient votes to approve one or more proposals presented at the special meeting of stockholders or that one or more closing conditions under the Contribution Agreement will not be satisfied. **FOR AGAINST ABSTAIN**

Date: _____, 2015

Signature _____

Signature (If held jointly) _____

When shares are held by joint tenants, both joint tenants should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by president or other authorized officer. If a partnership, please sign in partnership name by an authorized person. A vote to abstain will have the same effect as a vote AGAINST proposals 1, 2 and 3 (as applicable). **The shares represented by this proxy, when properly executed, will be voted in the manner directed herein by the stockholder(s) signatory hereto. If no direction is made, this proxy will be voted FOR each of proposals 1, 2 and 3 (as applicable).** If any other matters properly come before the meeting, the Proxies will vote on such matters in their discretion.

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Section 29: EX-99.2 (EXHIBIT 99.2)

Exhibit 99.2

**FOR THE 2015 SPECIAL MEETING OF WARRANTHOLDERS OF
SILVER EAGLE ACQUISITION CORP.
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

PROXY

The undersigned hereby appoints James A. Graf and Jeff Sagansky (together, the “Proxies”), and each of them independently, with full power of substitution, as proxies to vote the warrants that the undersigned is entitled to vote (the “Warrants”) at the 2015 Special Meeting of Warrantholders of Silver Eagle Acquisition Corp., (the “Company”) to be held on [] at [] a.m., Eastern Time, and at any adjournments and/or postponements thereof. Such Warrants shall be voted as indicated with respect to the proposals listed and in the Proxies’ discretion on such other matters as may properly come before the special meeting or any adjournment or postponement thereof.

The undersigned acknowledges receipt of the enclosed proxy statement and revokes all prior proxies for said meeting.

THE WARRANTS REPRESENTED BY THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED WARRANTHOLDER. IF NO SPECIFIC DIRECTION IS GIVEN AS TO THE PROPOSALS, THIS PROXY WILL BE VOTED FOR PROPOSALS 1 AND 2. PLEASE MARK, SIGN, DATE AND RETURN THE PROXY CARD PROMPTLY.

Please mark
vote as indicated A^v
in this example

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” PROPOSALS 1 AND 2.

- (1) To approve an amendment to the warrant agreement that governs all of Silver Eagle’s warrants to provide that, upon consummation of the contribution by Silver Eagle to Videocon d2h Limited, each outstanding Silver Eagle warrant will be exchanged for cash in the amount of \$1.00. **FOR AGAINST ABSTAIN**

- (2) To approve the adjournment of the special meeting of public warrantholders to a later date or dates, if necessary, to permit further solicitation and vote of proxies if, based upon the tabulated vote at the time of the special meeting of public warrantholders, there are not sufficient votes to approve Proposal 1. **FOR AGAINST ABSTAIN**

Date: _____, 2015

Signature _____

Signature (If held jointly) _____

When warrants are held by joint tenants, both joint tenants should sign. When signing as attorney, executor, administrator, trustee or guardian,

please give full title as such. If a corporation, please sign in full corporate name by president or other authorized officer. If a partnership, please sign in partnership name by an authorized person.

A vote to abstain will have the same effect as a vote AGAINST proposals 1 and 2 (as applicable). **The warrants represented by this proxy, when properly executed, will be voted in the manner directed herein by the warrantsholder(s) signatory hereto. If no direction is made, this proxy will be voted FOR each of proposals 1 and 2 (as applicable).** If any other matters properly come before the meeting, the Proxies will vote on such matters in their discretion.

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Section 30: EX-99.3 (EXHIBIT 99.3)

Exhibit 99.3

Consent of
Harry E. Sloan

Pursuant to Rule 438 of Regulation C promulgated under the Securities Act of 1933, as amended, in connection with the Registration Statement on Form F-4 (as amended, the "**Registration Statement**") of Videocon d2h Limited (the "**Company**"), the undersigned hereby consents to being named and described in the Registration Statement and in any and all amendments or supplements thereto to be filed with the U.S. Securities and Exchange Commission as a person about to become a director of the Company and to the filing or attachment of this Consent with such Registration Statement and any amendment or supplement thereto.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the 3rd day of March, 2015.

/s/ Harry E. Sloan
Harry E. Sloan

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Section 31: EX-99.4 (EXHIBIT 99.4)

Exhibit 99.4

Consent of
Jeff Sagansky

Pursuant to Rule 438 of Regulation C promulgated under the Securities Act of 1933, as amended, in connection with the Registration Statement on Form F-4 (as amended, the "**Registration Statement**") of Videocon d2h Limited (the "**Company**"), the undersigned hereby consents to being named and described in the Registration Statement and in any and all amendments or supplements thereto to be filed with the U.S. Securities and Exchange Commission as a person about to become a director of the Company and to the filing or attachment of this Consent with such Registration Statement and any amendment or supplement thereto.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the 3rd day of March, 2015.

/s/ Jeff Sagansky
Jeff Sagansky

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