

Date: 29/08/2020



To,

Tencent Cloud Europe B.V.
c/o Tencent Holdings Limited
Level 29, Three Pacific Place
1 Queen's Road East
Wanchai, Hong Kong

Sub: Invitation to subscribe to 47,050 series B optionally convertible debentures of the Company ("Series B OCDs") pursuant to the private placement offer cum application letter dated 29.08.2020 ("Offer Letter")

We, Gamma Gaana Limited ("Company") hereby offer the securities as detailed in the attached Form PAS-4 to Tencent Cloud Europe B.V. Please confirm acceptance in the manner set out below.

For and on behalf of Board of directors of
Gamma Gaana Limited



Miten Harish Sampat
Director
DIN: 05336659



FORM PAS-4

[see rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

PART-A**PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER**

Offer made to: Tencent Cloud Europe B.V.

Date: 29 August 2020 (“Offer Date”)

Serial No. PP-01

1. GENERAL INFORMATION																																												
(i)	Name, address, website and other contact details of the company indicating both registered office and corporate office.	Name: Gamma Gaana Limited (“Company”) Registered Office Address: Express Building, 9-10 Bahadurshah Zafar Marg, New Delhi - 110002 Corporate Office Address: Times Center, FC-6, Film City, Sector 16A, Noida - 201301 Contact Person: Mr. Joy Deb Kumar Basu (Director) Email: Joy.Basu@timesinternet.in Contact Number: 0120-6776999 Website: www.gaana.com																																										
(ii)	Date of incorporation of the company.	27 th August, 2012																																										
(iii)	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	The Company is engaged in the business of licensing music content and hosting and streaming such music content in different languages through applications dedicated to online music streaming under the name “Gaana”																																										
(iv)	Brief particulars of the management of the company.	<table border="1"> <thead> <tr> <th>Sr. No.</th><th>Name</th><th>DIN</th><th>Address</th><th>Designation</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Gautam Sinha</td><td>01611273</td><td>House No. 102, Deerwood, Nirvana Country South City - II, Gurgaon - 122018</td><td>Director</td></tr> <tr> <td>2.</td><td>Satyan Gajwani</td><td>02691483</td><td>132, Isabella Ave, Atherton, CA 94027 US</td><td>Director</td></tr> <tr> <td>3.</td><td>Joy Deb Kumar Basu</td><td>02313980</td><td>C-74, DLF Summit Phase-5, Gurgaon – 122002</td><td>Director</td></tr> <tr> <td>4.</td><td>Miten Harish Sampat</td><td>05336659</td><td>2nd Floor, Krishna Apts, 79 A Jain Derasar Marg, Santacruz, Mumbai - 400054</td><td>Director</td></tr> <tr> <td>5.</td><td>Po Shu Yeung</td><td>07646535</td><td>Flat E, 7/F BLK T5, One Beacon Hill Road, Kowloon Tong, KLN, Hong Kong</td><td>Director</td></tr> <tr> <td>6.</td><td>Brent Richard Irvin</td><td>07955350</td><td>18A, Unit I, Building A, Jinxiu Garden Phase IV, Oct, Nanshan District, Shenzhen</td><td>Director</td></tr> <tr> <td>7.</td><td>Prashan Agarwal</td><td>N/A</td><td>EH 4-306, Eldeco Utopia, Sector-93A, Noida-201301</td><td>Chief Executive Officer</td></tr> </tbody> </table>			Sr. No.	Name	DIN	Address	Designation	1.	Gautam Sinha	01611273	House No. 102, Deerwood, Nirvana Country South City - II, Gurgaon - 122018	Director	2.	Satyan Gajwani	02691483	132, Isabella Ave, Atherton, CA 94027 US	Director	3.	Joy Deb Kumar Basu	02313980	C-74, DLF Summit Phase-5, Gurgaon – 122002	Director	4.	Miten Harish Sampat	05336659	2 nd Floor, Krishna Apts, 79 A Jain Derasar Marg, Santacruz, Mumbai - 400054	Director	5.	Po Shu Yeung	07646535	Flat E, 7/F BLK T5, One Beacon Hill Road, Kowloon Tong, KLN, Hong Kong	Director	6.	Brent Richard Irvin	07955350	18A, Unit I, Building A, Jinxiu Garden Phase IV, Oct, Nanshan District, Shenzhen	Director	7.	Prashan Agarwal	N/A	EH 4-306, Eldeco Utopia, Sector-93A, Noida-201301	Chief Executive Officer
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(vi)	Management’s perception of risk factors.	Please refer to Annexure I titled “ <i>Risk Factors</i> ”																																			
(vii)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of.	NIL																																			
(a)	Statutory dues.	NIL																																			
(b)	Debentures and interest thereon.	NIL																																			
(c)	Deposits and interest thereon.	Not applicable																																			
(d)	Loan from any bank or financial institution and interest thereon.	Not applicable																																			
(viii)	Names, designation, address and phone number, email ID of the officer of the company, if any, for the private placement offer process.	Name: Mr. Joy Deb Kumar Basu Designation: Director Address: Plot No. 391, Udyog Vihar Phase – III, Gurgaon – 122016, Haryana Phone Number: 0120-6776999 Email ID: Joy.Basu@timesinternet.in																																			
(ix)	Any default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder.	Not applicable																																			
2.	PARTICULARS OF THE OFFER																																				

(i)	Financial position of the Company for the last 3 financial years	Please refer to Annexure III (attached separately) titled “ <i>Financial Statements</i> ”
(ii)	Date of passing of board resolution.	21 August 2020
(iii)	Date of passing of resolution in the general meeting, authorizing the offer of securities.	24 August 2020
(iv)	Kinds of securities offered (i.e. whether share or debenture) and class of security; total number of securities to be issued	47,050 series B optionally convertible debentures (“Series B OCDs”) to Tencent Cloud Europe B.V. 11,763 series B1 optionally convertible debentures (“Series B1 OCDs”) to Times Internet Limited.
(v)	Price at which the security is being offered including the premium, if any, along with justification of the price.	47,050 Series B OCDs of the Company having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) per Series B OCD, each at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise). 11,763 Series B1 OCDs of the Company having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) per Series B1 OCD, each at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise). The Series B OCDs and Series B1 OCDs are valued at INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, as per valuation report dated 7 August 2020 issued by Vardhman Doogar.
(vi)	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer.	Name: Vardhman Doogar Address: 13, Third Floor, Community Centre, East of Kailash, South, National Capital Territory of Delhi - 110065 Basis on which the price has been arrived at: DCF Method Report of registered valuer: Enclosed herewith
(vii)	Relevant date with reference to which the price has been arrived at	31 st March 2020
(viii)	The class or classes of persons to whom the allotment is proposed to be made	The offer for the issuance of the Series B OCDs is being made to Tencent Cloud Europe B.V., and the offer for the issuance of the Series B1 OCDs is being made to Times Internet Limited (under a separate offer letter), both being companies limited by shares.
(ix)	Intention of the promoters, directors or key managerial personnel to subscribe to the offer	Times Internet Limited intends to subscribe to 11,763 Series B1 OCDs.

(x)	The proposed time within which the allotment shall be completed	The Company proposes to complete the allotment on the date of receipt of application money.					
(xi)	The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Name of Allottee	Class of Securities	No. of Securities	Price per OCD (INR)	Face Value per OCD (INR)	Percentage Holding (post preferential allotment and on a fully diluted basis)
		Tencent Cloud Europe B.V.	Series B OCD	47,050	63,761.93	63,761.93	7.67%
		Times Internet Limited	Series B1 OCD	11,763	63,761.93	63,761.93	60.18%
(xii)	The change in control, if any, in the company that would occur consequent to the private placement	Not applicable					
(xiii)	The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of number of securities as well as price	Not applicable					
(xiv)	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable					
(xv)	Amount which the company intends to raise by way of securities.	INR 3,750,030,389.09 (Indian Rupees Three Billion Seven Hundred Fifty Million Thirty Thousand Three Hundred Eighty Nine and Nine Paise only)					
(xvi)	Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment.	As per the terms set out in the amended and restated shareholders’ agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, Aceville Pte. Ltd. and Tencent Cloud Europe B.V (“Amended and Restated SHA”) and Schedule 8 to the debenture subscription agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V (“Tencent DSA”). Annexure IV (attached hereto) titled “Terms of Series B OCDs” sets out the terms of Series B OCDs.					

(xvii)	Proposed time schedule for which the offer letter is valid.	The issue will open on 29 August 2020 and close on 30 September 2020.																																																																																																																																	
(xviii)	Purposes and objects of the offer.	The Company intends to raise investments through this private placement/preferential allotment for the purposes of financing the growth and expansion of the Company.																																																																																																																																	
(xix)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	Times Internet Limited intends to subscribe to 11,763 Series B1 OCDs under a separate offer letter.																																																																																																																																	
(xx)	Principle terms of assets charged as security, if applicable.	Not applicable																																																																																																																																	
(xxi)	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations	None																																																																																																																																	
(xxii)	The pre issue and post issue shareholding pattern of the company	<table border="1"> <thead> <tr> <th>Sl. No.</th><th>Category</th><th colspan="2">Pre Issue</th><th colspan="2">Post Issue (on a fully diluted basis)</th></tr> <tr> <th></th><th></th><th>No. of shares held</th><th>% of share holding</th><th>No. of shares held</th><th>% of share holding</th></tr> </thead> <tbody> <tr> <td>A.</td><td>Promoters' holding :</td><td></td><td></td><td></td><td></td></tr> <tr> <td>1</td><td>Indian:</td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td>Individual</td><td>-</td><td>-</td><td>-</td><td>-</td></tr> <tr> <td></td><td>Bodies Corporate (including shares held by nominees of Times Internet Limited)</td><td>3,57,472</td><td>63.98%</td><td>3,69,235</td><td>60.18%</td></tr> <tr> <td></td><td>Sub – Total</td><td>3,57,472</td><td>63.98%</td><td>3,69,235</td><td>60.18%</td></tr> <tr> <td>2.</td><td>Foreign Promoters:</td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td>Individual</td><td>-</td><td>-</td><td>-</td><td>-</td></tr> <tr> <td></td><td>Bodies Corporate</td><td>-</td><td>-</td><td>-</td><td>-</td></tr> <tr> <td></td><td>Sub Total (A)</td><td>3,57,472</td><td>63.98%</td><td>3,69,235</td><td>60.18%</td></tr> <tr> <td>B.</td><td>Non-Promoters' holding :</td><td></td><td></td><td></td><td></td></tr> <tr> <td>1.</td><td>Institutional Investors</td><td>-</td><td>-</td><td>-</td><td>-</td></tr> <tr> <td>2.</td><td>Non-Institution :</td><td>-</td><td>-</td><td>-</td><td>-</td></tr> <tr> <td></td><td>Private Corporate Bodies</td><td>1,64,266</td><td>29.40%</td><td>2,11,316</td><td>34.44%</td></tr> <tr> <td></td><td>Employee Stock Option Pool</td><td>36,981</td><td>6.62%</td><td>32,981</td><td>5.38%</td></tr> <tr> <td></td><td>Directors and Relatives</td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td>Indian Public</td><td>-</td><td>-</td><td>-</td><td>-</td></tr> <tr> <td></td><td>Others (Including NRIs)</td><td>-</td><td>-</td><td></td><td></td></tr> <tr> <td></td><td>Sub Total (B)</td><td>2,01,247</td><td>36.02%</td><td>2,44,297</td><td>39.82%</td></tr> <tr> <td></td><td>GRAND TOTAL</td><td>5,58,719</td><td>100.00%</td><td>6,13,532</td><td>100.00%</td></tr> </tbody> </table>				Sl. No.	Category	Pre Issue		Post Issue (on a fully diluted basis)				No. of shares held	% of share holding	No. of shares held	% of share holding	A.	Promoters' holding :					1	Indian:						Individual	-	-	-	-		Bodies Corporate (including shares held by nominees of Times Internet Limited)	3,57,472	63.98%	3,69,235	60.18%		Sub – Total	3,57,472	63.98%	3,69,235	60.18%	2.	Foreign Promoters:						Individual	-	-	-	-		Bodies Corporate	-	-	-	-		Sub Total (A)	3,57,472	63.98%	3,69,235	60.18%	B.	Non-Promoters' holding :					1.	Institutional Investors	-	-	-	-	2.	Non-Institution :	-	-	-	-		Private Corporate Bodies	1,64,266	29.40%	2,11,316	34.44%		Employee Stock Option Pool	36,981	6.62%	32,981	5.38%		Directors and Relatives						Indian Public	-	-	-	-		Others (Including NRIs)	-	-				Sub Total (B)	2,01,247	36.02%	2,44,297	39.82%		GRAND TOTAL	5,58,719	100.00%	6,13,532	100.00%
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Banking Channels		
4.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.	
(i)	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	None
(ii)	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	NIL
(iii)	Remuneration of directors (during the current year and last three financial years).	NIL
(iv)	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	Please refer to Annexure III (attached separately) for the audited accounts of the Company.
(v)	Summary of reservations or	NIL

	<p>qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.</p>	
(vi)	<p>Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries.</p>	NIL
(vii)	<p>Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.</p>	NIL
5.	FINANCIAL POSITION OF THE COMPANY	
(a)	The capital structure of the company in the following manner in a tabular form.	

(i) (A)	The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value).	Please refer to Annexure II titled “ <i>Capital Structure of the Company</i> ”
(B)	Size of the present offer.	<p>47,050 Series B OCDs of the Company having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) per Series B OCD, each at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise), aggregating to INR 2,999,998,806.50</p> <p>11,763 Series B1 OCDs of the Company having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) per Series B1 OCD, each at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise), aggregating to INR 750,031,582.59</p> <p>Total amount aggregating to INR 3,750,030,389.09 (Indian Rupees Three Billion Seven Hundred Fifty Million Thirty Thousand Three Hundred Eighty Nine and Nine Paise only)</p>
(C)	Paid up capital:	
	(I) After the offer	Please refer to Annexure II titled “ <i>Capital Structure of the Company</i> ”.
	(II) After conversion of convertible instruments (if applicable).	
(D)	Share premium account (before and after the offer).	<p>Before the offer: INR 9,79,66,83,030</p> <p>After the offer: INR 9,79,66,83,030</p>
(ii)	<p>The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.</p> <p>Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year</p>	Please refer to Annexure II titled “ <i>Capital Structure of the Company</i> ”.

	preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	
(b)	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	Please refer to Annexure III (attached separately) for the audited accounts of the Company.
(c)	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	NIL
(d)	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter.	Please refer to Annexure III (attached separately)
(e)	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	Please refer to Annexure III (attached separately)
(f)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	NIL

Part – B
(To be filled in by the Applicant)

(i)	Name	[•]
(ii)	Father's Name	[•]
(iii)	Complete Address including Flat/House Number, Street, Locality, Pin Code	[•]
(iv)	Phone Number, if any	[•]
(v)	Email ID, if any	[•]
(vi)	PAN Number	[•]
(vii)	Bank Account Details	[•]

Signature

Initial of the Officer of the Company designated to keep the record

6. A DECLARATION BY THE DIRECTORS THAT-

- the company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- the compliance with the said Act and the rules made thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- the monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter.

I am authorised by the Board of Directors of the Company vide resolution number 4 dated 21 August 2020 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Gamma Gaana Limited



Miten Harish Sampat
Director
DIN: 05336659

Date: 29 August 2020

Place: Gurgaon

Enclosed:

- Copy of board resolution dated 21 August 2020
- Copy of shareholders resolution dated 24 August 2020
- The Valuation Report is attached separately
- **Annexure I** - Risk Factors
- **Annexure II** - Capital Structure of the Company
- **Annexure III** - is attached separately
- **Annexure IV**- Terms of Series B OCDs

Annexure I

Risk Factors

The investment in Company entails certain degree of risk and, therefore, should be undertaken only by investors capable of evaluating the merits and risks of this private placement and bearing the risk that an investment in Company represents. The Company is not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The potential investor should carefully consider the following factors in connection with this private placement offer by the Company. The order of the risk factors appearing hereunder is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

General	The proposed investment in the Company is subject to the risks and uncertainty of performance associated with the investment in a company in India engaged in the business as engaged by the Company. Accordingly, there is no assurance, as to the further performance of the Company or Company's ability to generate profits.
Market Recognition	We operate in a market that is characterized by rapidly changing business plans, which require us to adapt the changes in the manner we conduct our business. Demand for our products or services may fluctuate from time to time due to factors such as general economic conditions, competition, brand recall, financial and business conditions of our current and potential customers. Thus, a variety of factors may hence cause volatility in our financial results, making out projections of future results uncertain. Therefore, our ability to effectively carry out our business is depended on a number of factors, which are beyond our control.
Projections	Any projections or other estimates provided in the business plan are forward-looking statements and are based upon certain assumptions. Actual results are difficult to predict and may depend upon factors that are beyond Company's control.
Protection of Intellectual Property Rights	While we monitor the use of and respect for our intellectual property rights, policing unauthorized use of our technology and trade secret technologies and proving misappropriation of our technologies could be difficult. Furthermore, any changes in, or unexpected interpretations of, the copyright, trade secret and other intellectual property rights laws in any country in which we operate or intend to expand our operations may adversely affect our ability to enforce our copyright, trade secret and other intellectual property rights. Costly and time-consuming litigation could be necessary to enforce or defend our intellectual property rights and/or to determine the scope of our confidential information, intellectual property right and trade secret protection. If we are unable to protect our intellectual property rights or if third parties independently develop technologies similar to ours or otherwise gain legal access to our or similar technologies, our competitive position and brand recognition could suffer and our revenue, financial condition, results of operations and cash flows could be adversely affected.
Dependence on Key Personnel	The performance of the Company largely depends on the efforts, expertise and abilities of our senior management and key employees. Our senior management is important to our business because of their experience and knowledge of the industry. In the event of the death, incapacity or departure of any of these individuals, the performance of the Company may be adversely affected. If one or more of our senior management team or key employees are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly, which may have a material adverse effect on our business, prospects and financial results.
Evolving and New Strategies	The Company's business approach and techniques will be continually evolving. The Company is not restricted in developing or incubating new strategies or approaches and will deploy its resources in accordance with such new strategies and approaches. The strategies and approaches developed by the Company may not be successful and the resources devoted to the implementation of new approaches or strategies may diminish the effectiveness of the

Company's implementation of established approaches or strategies.

Dividends Declaration	The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we will be able to pay dividends. Additionally, we may be prohibited by the terms of our future debt financing agreements to make any dividend payments until a certain time period as may be agreed with lenders.
Political and Economic Social Risks	The value of the securities or the assets and business of Company may get adversely affected by political and economic factors and changes including changes in Indian law or regulatory regimes. Actions of the Central and/or State governments may have a significant effect on the Indian economy or the sector in which the Company operates.
Slowdown of Economy and Changing Customer Preference	Company's performance and the quality and growth of its business and assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect the Company's business, including its ability to achieve its business plan, and its ability to implement its strategy. In response to such developments, we may need to increase our marketing efforts, adjust our pricing or take other actions, which may adversely affect our results of operations. The number of customers that we add in a given period impacts both our short-term and long-term revenues. If we are unable to attract a sufficient number of customers, we may be unable to generate revenue growth at desired rates. These factors are generally beyond our control, and our ability to manage the risks they present is important to our operations.
Risk of Political Instability	Political instability could arise due to several reasons. Any political instability in India could impact the Company's business. The role of the Central and State Governments in the Indian economy has remained significant over the years. There can be no assurance that these liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting the business of the Company could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India, thus affecting Company's business.
Terrorist Attacks, Civil Unrest, War or Pandemic	Terrorist attacks, other acts of violence or war or pandemic may negatively affect the business. These acts may also result in a loss of business confidence.
Legal and Regulatory Risk	<p>There may be certain legal, tax and regulatory changes, which may adversely affect the performance of Company. The potential investor should be aware that there is a risk of changes in law, changes in regulations and government policies as well as changes in accounting principles.</p> <p>Additionally, the laws and regulations governing the technology industry could change in the future and any such changes could adversely affect the business, future investment plans, financial performance and shareholders' value.</p>
Competition	<p>There is growing competition in the markets in which we compete. There is increasing competition in respect of price and service. Our management may regularly come up with new strategies to remain ahead of the competition and endeavour to provide customer satisfaction. A significant increase in competition, whether from one new competitor or many, could exert downward pressure on prices, an inability to take advantage of new business opportunities and a loss of market share.</p> <p>Entities with which the Company may compete in the market may have significantly greater finances and other resources and greater experience. Such competitive disadvantage could adversely affect Company's ability to execute its business strategy.</p>

Taxation	The potential subscriber should consult their tax consultants to determine the possible tax or other consequences of (i) receipt of income or capital from Company as the case may be; and (ii) sale of such shares by the investor.
Ministerial Errors and Omissions	Any clerical mistakes or clerical errors in this document should be considered ministerial in nature and not a factual misrepresentation or a material omission of fact.

Annexure II

Capital Structure of the Company

Particulars of Share Capital

AUTHORISED SHARE CAPITAL	INR 5,50,00,000 (Indian Rupees Five Crores Fifty Lakhs only) divided into 5,00,000 (five lakh) equity shares of INR 10 (Rupees Ten) each and 5,00,000 (five lakh) Series A Non-Cumulative Compulsorily Convertible Preference Shares of INR 100 (Indian Rupees One Hundred) each
ISSUED SHARE CAPITAL	INR 2,22,18,830 (Indian Rupees Two Crore Twenty Two Lakhs Eighteen Thousand Eight Hundred Thirty only) divided into 3,32,833 equity shares of INR 10 (Rupees Ten) each and 1,88,905 Series A Non-Cumulative Compulsorily Convertible Preference Shares of INR 100 (Indian Rupees One Hundred) each

Sr. No.	Name of Shareholder	Date of Allotment/ Acquisition	No. of Shares	Nature of Shares	Face Value (INR)	Price per Equity Share (INR)	Form of Consideration (Details if other than cash)
1.	Times Internet Limited	28/03/2013 and 30/06/2015	249,400	Equity	10	10	Cash
2.	Satyan Gajwani jointly with Times Internet Limited	30/09/2013	100	Equity	10	10	Cash
3.	Joy Basu jointly with Times Internet Limited	30/09/2013	100	Equity	10	10	Cash
4.	Miten Harish Sampat jointly with Times Internet Limited	17/06/2016	100	Equity	10	10	Cash
5.	Atul Ahuja jointly with Times Internet Limited	30/09/2013	100	Equity	10	10	Cash
6.	Gautam Sinha jointly with Times Internet Limited	17/12/2013	100	Equity	10	10	Cash
7.	Times Internet Limited	17/02/2018	82,832	Equity	10	30,000	Cash
8.	Times Internet Limited	13/03/2018	24,640	Series A Preference Shares	100	956,278,400	Cash
9.	Aceville Pte. Ltd.	13/03/2018	1	Equity	10	10	Cash
10.	Aceville Pte. Ltd.	13/03/2018	1,64,265	Series A Preference Shares	100	6,375,163,460	Cash
11.	Times Internet Limited	23/03/2018	100	Equity	10	10	Cash
Total			5,21,738				

Paid up capital of the Company after the offer

INR 2,22,18,830 (Indian Rupees Two Crore Twenty Two Lakhs Eighteen Thousand Eight Hundred Thirty only) divided into 3,32,833 equity shares of INR 10 (Rupees Ten) each and 1,88,905 Series A Non-Cumulative Compulsorily Convertible Preference Shares of INR 100 (Indian Rupees One Hundred) each

Paid up capital of the Company after conversion of convertible instruments (assuming a conversion ratio of 1:1 and exercise of current employee stock options)

INR 61,35,320 (Indian Rupees Sixty One Lakhs Thirty Five Thousand Five Three Hundred Twenty only) comprising of 6,13,532 equity shares of INR 10 (Rupees Ten) each

Annexure IV

Rights of Series B Optionally Convertible Debentures

Capitalized terms used but not defined herein shall have meanings ascribed to such terms under the Amended and Restated SHA and/or the Tencent DSA (as the case may be).

- 1 The principal amount payable towards each Series B OCD is INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise only).
- 2 The Series B OCDs each shall carry interest at the rate of 0.01% (zero point zero one per cent.) of the face value of each Series B OCD per annum, which interest shall accrue and be payable on a yearly basis in accordance with Part A of Schedule 7 of the Amended and Restated SHA (to be adjusted in accordance with the date on which Closing actually occurs, if required). The amount of interest shall be subject to withholding and deduction of applicable Taxes at source.
- 3 The number of Series B Preference Shares to be issued to the Series B Debenture Holders upon conversion are subject to the terms and conditions of Series B OCDs set forth herein. The Series B OCDs shall have an initial conversion price equal to the Series B OCD Price (the ***Series B OCD Conversion Price***) per Series B Preference Share, as adjusted pursuant to paragraphs 4, 6 and 7 herein from time to time.
- 4 Subject to receipt of the Governmental Approvals required under applicable Law, each Series B Debenture Holder may convert the Series B OCDs held by it in whole into Series B Preference Shares at any time of its choice prior to the Compulsory Conversion Date (*as defined below in this paragraph*) at the fair market value (determined as per the methodology prescribed under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019) of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. Each of the Series B Debenture Holder shall, at any time prior to the Compulsory Conversion Date, be entitled to call upon the Company to convert all (and not less than all) of the Series B OCDs held by it by issuing a notice to the Company accompanied by debenture certificate(s) or demat account statement representing the Series B OCDs sought to be converted. Immediately and no later than 45 (forty five) Business Days from the receipt of such notice, the Company shall procure the valuation report and issue Series B Preference Shares in respect of the Series B OCDs sought to be converted.

The Series B OCDs, if not converted earlier into Series B Preference Shares, shall, subject to applicable Law including receipt of the Governmental Approval required under applicable Law, at the option of the Company be converted into Equity Shares by the latest time permitted under applicable Law in connection with the consummation of the QIPO or an initial public offering of the Company's Equity Shares in accordance with the terms of the Amended and Restated Shareholders' Agreement (the ***Compulsory Conversion Date***), at the fair market value (determined as per the methodology prescribed under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019) of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. The Equity Shares issued upon conversion of the Series B OCDs will in all respects rank *pari passu* with the Equity Shares already issued and such Equity Shares shall be entitled to all rights on the record date which falls on or after such date of issue of Equity Shares on conversion of the Series B OCDs.

- 5 The Series B Preference Shares issued upon conversion of the Series B OCDs will in all respects rank *pari passu* with the Series A Preference Shares already issued.
- 6 ***Anti-dilution***
 - 6.1 In the event that the Company offers any Securities to a new investor or a Third Party, in accordance with the terms of the Amended and Restated Shareholders' Agreement, after the Closing Date, at a price less than the then effective Series B OCD Conversion Price, then the Series B OCD

Conversion Price, as applicable, will be adjusted on a broad based weighted average basis to a price determined by the following formula:

For the purpose of the above, the ***New Conversion Price*** shall be calculated in accordance with the formula below:

New Conversion Price = Series B OCD Conversion Price (as revised for any prior adjustments under paragraphs 6 and 7 herein) * [(Total Equity Shares + Equity Shares Purchasable) / (Total Equity Shares + Equity Shares Purchased)]

where,

Total Equity Shares is the total number of Securities of the Company, calculated on a Fully Diluted Basis, on the assumption that all Securities have converted into Equity Shares;

Equity Shares Purchasable means the number of Equity Shares which would have been purchased, had Equity Shares been issued at the Series B OCD Conversion Price for the entire consideration of the proposed issuance by the Company; and

Equity Shares Purchased means the Equity Shares issued for the entire consideration of the proposed issuance by the Company; and in the event that the Securities being issued are not Equity Shares, but are convertible into Equity Shares, then the Equity Shares Purchased shall be calculated assuming that such Securities are converted at the lowest conversion price at which any potential investor would potentially be able to acquire a single Equity Share pursuant to the conversion of any Securities.

- 6.2 It is hereby clarified that the anti-dilution right available under this paragraph 6 shall not be available with respect to the Equity Shares issued, if any, and to be issued to employees, officers or consultants of the Company pursuant to the Employee Stock Option Plan.

7 *Adjustments*

- 7.1 If, while any Series B OCDs remain capable of being converted into Series B Preference Shares of the Company, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Series B Preference Shares issuable upon a conversion of the Series B OCDs, shall be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Series B Preference Shares issuable upon a conversion of the Series B OCDs, as the case may be, shall be proportionately decreased in the case of a consolidation (reverse stock split).

8 *Liquidation Preference*

- 8.1 Upon the occurrence of any Liquidation Event, the Series B Debenture Holders shall be entitled to, *pari passu* to the Series B1 OCDs and in preference over the Series A Preference Shares and the Equity Shares, for return of the amount as set out hereinafter. In the event of occurrence of a Liquidation Event, the surplus capital, if any remaining, after making payments as per the priority of payments set forth in the Act and to all other secured and unsecured creditors of the Company, shall be applied such that, prior to any distribution of such capital to holders of Series A Preference Shares and the Equity Shares, the Series B Debenture Holders on a *pari passu* basis with Series B1 Debenture Holders contemporaneously receive the greater of: (a) the Series B OCD Liquidation Amount; or (b) an amount the Series B Debenture Holder would have received, had the Series B OCDs it holds been converted into Series B Preference Shares immediately prior to the Liquidation Event,

where

Series B OCD Liquidation Amount shall mean in respect of a Series B Debenture Holder, a sum equivalent to the multiple of the Series B OCD Price and the total number of Series B OCDs held by such Series B Debenture Holder.

- 8.2 In any Liquidation Event, if proceeds received by the Company or its Shareholders are other than cash, its value will be deemed its fair market value. Any securities shall, subject to the applicable Law then in force, be valued as follows:
- 8.2.1 if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event;
- 8.2.2 if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event; and
- 8.2.3 if there is no active public market, the value shall be, as mutually determined by the Company, Parent and the Investors.
- 8.3 The Series B Debenture Holders shall not be entitled to liquidation preference in the event of occurrence of a QIPO or an initial public offering of the Company's Equity Shares in accordance with the Amended and Restated Shareholders' Agreement.
- 8.4 The treatment of any particular transaction or series of related transactions as Liquidation Event may be waived only with the written approval of a majority of the Series B Debenture Holders.

9 Redemption or Repayment

The Series B OCDs shall be redeemed or the outstanding principal amounts and accrued but unpaid interest payable by the Company towards the Series B OCDs shall be repaid to the Series B Debenture Holder after expiry of a period of 10 (ten) years and certain additional days (as the case maybe)commencing from the Closing Date i.e. on 30 September 2020, in the manner mutually agreed between the Parties and Aceville Pte. Ltd.

10 All-in-Cost Ceiling

The all-in-cost ceiling agreed and applicable on the Series B OCDs issued by the Company on the Closing Date is 10.314% (ten point three one four per cent.) per annum.

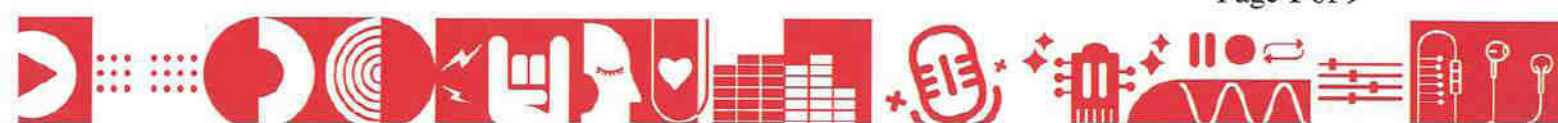
- 11 Any amendment to the rights, preferences or privileges of the Series B OCDs shall require approval of the holders of at least a majority of the Series B OCDs and Series B1 OCDs.
- 12 All of the Parties agree that they will take all actions necessary to ensure that the Series B Debenture Holders receive the entirety of the economic benefits of their rights set forth herein and elsewhere in the Amended and Restated Shareholders' Agreement, even if one or more of such rights are rendered unenforceable for any reason.

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF GAMMA GAANA LIMITED HELD ON FRIDAY, AUGUST 20, 2020, AT FC - 2 & 4, SECTOR - 16A, FILM CITY, NOIDA - 201301, INDIA

RECORDING THE NAME OF THE OFFEREEES AND APPROVAL FOR OFFER AND ISSUE OF UNSECURED OPTIONALLY CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS

“RESOLVED THAT pursuant to the provisions of Section 42, Section 62 and Section 71 and any other applicable provisions of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment(s) thereof, for the time being in force), read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, and in terms of provisions of the Foreign Exchange Management Act, 1999 read with the Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated 26 March 2019 bearing reference number FED Master Direction No. 5/2018-19, the articles of association of the Company and/or other applicable provisions of laws and statutory and/or regulatory requirements and subject to the receipt of the necessary approvals, permissions and sanctions as may be applicable (including receipt of a loan registration number from the Reserve Bank of India), and subject to the approval of the shareholders of the Company in a general meeting by way of a special resolution, consent of the Board be and is hereby accorded to issue the following classes of unsecured optionally convertible debentures having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, to the persons listed below (“Subscribers”) on private placement basis through issue of private placement offer letters on the terms and conditions stated below and in accordance with the terms and conditions set out under the (i) debenture subscription agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V; and (ii) another debenture subscription agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V (“Offer”):

Sl. No	Name of Subscriber	Class of OCDs	Number of OCDs offered	Subscription Price of each OCD (INR)	Face Value of each OCD (INR)	Total subscription amount (INR)
1.	Tencent Cloud Europe B.V.	Series B Optionally Convertible Debentures (“Series B OCDs”)	47,050	63,761.93	63,761.93	2,999,998,806.50
2.	Times Internet Limited	Series B1 Optionally Convertible Debentures (“Series B1 OCDs”)	11,763	63,761.93	63,761.93	750,031,582.59
	Total	-	58,813	-	-	3,750,030,389.09



RESOLVED FURTHER THAT the terms / rights of the Series B OCDs proposed to be issued shall be as set out in Part B of Schedule 5 to the amended and restated shareholders' agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, Aceville Pte. Ltd. and Tencent Cloud Europe B.V. ("Amended and Restated SHA") and Schedule 8 to the debenture subscription agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V. ("Tencent DSA"), which are being reproduced below:

Rights of Series B Optionally Convertible Debentures

Capitalized terms used but not defined herein shall have meanings ascribed to such terms under the Amended and Restated SHA and/or the Tencent DSA (as the case may be).

- 1 The principal amount payable towards each Series B OCD is INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise only).
- 2 The Series B OCDs each shall carry interest at the rate of 0.01% (zero point zero one per cent.) of the face value of each Series B OCD per annum, which interest shall accrue and be payable on a yearly basis in accordance with Part A of Schedule 7 of the Amended and Restated SHA (to be adjusted in accordance with the date on which Closing actually occurs, if required). The amount of interest shall be subject to withholding and deduction of applicable Taxes at source.
- 3 The number of Series B Preference Shares to be issued to the Series B Debenture Holders upon conversion are subject to the terms and conditions of Series B OCDs set forth herein. The Series B OCDs shall have an initial conversion price equal to the Series B OCD Price (the *Series B OCD Conversion Price*) per Series B Preference Share, as adjusted pursuant to paragraphs 4, 6 and 7 herein from time to time.
- 4 Subject to receipt of the Governmental Approvals required under applicable Law, each Series B Debenture Holder may convert the Series B OCDs held by it in whole into Series B Preference Shares at any time of its choice prior to the Compulsory Conversion Date (*as defined below in this paragraph*) at the fair market value (determined as per the methodology prescribed under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019) of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. Each of the Series B Debenture Holder shall, at any time prior to the Compulsory Conversion Date, be entitled to call upon the Company to convert all (and not less than all) of the Series B OCDs held by it by issuing a notice to the Company accompanied by debenture certificate(s) or demat account statement representing the Series B OCDs sought to be converted. Immediately and no later than 45 (forty five) Business Days from the receipt of such notice, the Company shall procure the valuation report and issue Series B Preference Shares in respect of the Series B OCDs sought to be converted.

The Series B OCDs, if not converted earlier into Series B Preference Shares, shall, subject to applicable Law including receipt of the Governmental Approval required under applicable Law, at the option of the Company be converted into Equity Shares by the latest time permitted under applicable Law in connection with the consummation of the QIPO or an initial public offering of the Company's Equity Shares in accordance with the terms of the



Amended and Restated Shareholders' Agreement (the *Compulsory Conversion Date*), at the fair market value (determined as per the methodology prescribed under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019) of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. The Equity Shares issued upon conversion of the Series B OCDs will in all respects rank *pari passu* with the Equity Shares already issued and such Equity Shares shall be entitled to all rights on the record date which falls on or after such date of issue of Equity Shares on conversion of the Series B OCDs.

- 5 The Series B Preference Shares issued upon conversion of the Series B OCDs will in all respects rank *pari passu* with the Series A Preference Shares already issued.

6 *Anti-dilution*

- 6.1 In the event that the Company offers any Securities to a new investor or a Third Party, in accordance with the terms of the Amended and Restated Shareholders' Agreement, after the Closing Date, at a price less than the then effective Series B OCD Conversion Price, then the Series B OCD Conversion Price, as applicable, will be adjusted on a broad based weighted average basis to a price determined by the following formula:

For the purpose of the above, the *New Conversion Price* shall be calculated in accordance with the formula below:

$$\text{New Conversion Price} = \text{Series B OCD Conversion Price (as revised for any prior adjustments under paragraphs 6 and 7 herein)} * \left[\frac{\text{Total Equity Shares} + \text{Equity Shares Purchasable}}{\text{Total Equity Shares} + \text{Equity Shares Purchased}} \right]$$

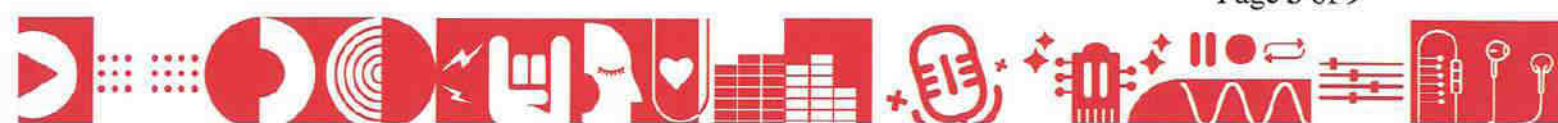
where,

Total Equity Shares is the total number of Securities of the Company, calculated on a Fully Diluted Basis, on the assumption that all Securities have converted into Equity Shares;

Equity Shares Purchasable means the number of Equity Shares which would have been purchased, had Equity Shares been issued at the Series B OCD Conversion Price for the entire consideration of the proposed issuance by the Company; and

Equity Shares Purchased means the Equity Shares issued for the entire consideration of the proposed issuance by the Company; and in the event that the Securities being issued are not Equity Shares, but are convertible into Equity Shares, then the Equity Shares Purchased shall be calculated assuming that such Securities are converted at the lowest conversion price at which any potential investor would potentially be able to acquire a single Equity Share pursuant to the conversion of any Securities.

- 6.2 It is hereby clarified that the anti-dilution right available under this paragraph 6 shall not be available with respect to the Equity Shares issued, if any, and to be issued to employees, officers or consultants of the Company pursuant to the Employee Stock Option Plan.



7 Adjustments

- 7.1 If, while any Series B OCDs remain capable of being converted into Series B Preference Shares of the Company, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Series B Preference Shares issuable upon a conversion of the Series B OCDs, shall be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Series B Preference Shares issuable upon a conversion of the Series B OCDs, as the case may be, shall be proportionately decreased in the case of a consolidation (reverse stock split).

8 Liquidation Preference

- 8.1 Upon the occurrence of any Liquidation Event, the Series B Debenture Holders shall be entitled to, *pari passu* to the Series B1 OCDs and in preference over the Series A Preference Shares and the Equity Shares, for return of the amount as set out hereinafter. In the event of occurrence of a Liquidation Event, the surplus capital, if any remaining, after making payments as per the priority of payments set forth in the Act and to all other secured and unsecured creditors of the Company, shall be applied such that, prior to any distribution of such capital to holders of Series A Preference Shares and the Equity Shares, the Series B Debenture Holders on a *pari passu* basis with Series B1 Debenture Holders contemporaneously receive the greater of: (a) the Series B OCD Liquidation Amount; or (b) an amount the Series B Debenture Holder would have received, had the Series B OCDs it holds been converted into Series B Preference Shares immediately prior to the Liquidation Event,

where

Series B OCD Liquidation Amount shall mean in respect of a Series B Debenture Holder, a sum equivalent to the multiple of the Series B OCD Price and the total number of Series B OCDs held by such Series B Debenture Holder.

- 8.2 In any Liquidation Event, if proceeds received by the Company or its Shareholders are other than cash, its value will be deemed its fair market value. Any securities shall, subject to the applicable Law then in force, be valued as follows:
- 8.2.1 if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event;
 - 8.2.2 if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event; and
 - 8.2.3 if there is no active public market, the value shall be, as mutually determined by the Company, Parent and the Investors.



- 8.3 The Series B Debenture Holders shall not be entitled to liquidation preference in the event of occurrence of a QIPO or an initial public offering of the Company's Equity Shares in accordance with the Amended and Restated Shareholders' Agreement.
- 8.4 The treatment of any particular transaction or series of related transactions as Liquidation Event may be waived only with the written approval of a majority of the Series B Debenture Holders.

9 Redemption or Repayment

The Series B OCDs shall be redeemed or the outstanding principal amounts and accrued but unpaid interest payable by the Company towards the Series B OCDs shall be repaid to the Series B Debenture Holder after expiry of a period of 10 (ten) years and certain additional days (as the case maybe), commencing from the Closing Date i.e. on 30 September 2020, in the manner mutually agreed between the Parties.

10 All-in-Cost Ceiling

The all-in-cost ceiling agreed and applicable on the Series B OCDs issued by the Company on the Closing Date is 10.314% (ten point three one four per cent.) per annum.

- 11 Any amendment to the rights, preferences or privileges of the Series B OCDs shall require approval of the holders of at least a majority of the Series B OCDs and Series B1 OCDs.
- 12 All of the Parties agree that they will take all actions necessary to ensure that the Series B Debenture Holders receive the entirety of the economic benefits of their rights set forth herein and elsewhere in the Amended and Restated Shareholders' Agreement, even if one or more of such rights are rendered unenforceable for any reason.

RESOLVED FURTHER THAT the terms / rights of the Series B1 OCDs proposed to be issued shall be as set out in Part C of Schedule 5 to the amended and restated shareholders' agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, Aceville Pte. Ltd. and Tencent Cloud Europe B.V. ("Amended and Restated SHA") and Schedule 8 to the debenture subscription agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V. ("TIL DSA"), which are being reproduced below:

Rights of Series B1 Optionally Convertible Debentures

Capitalized terms used but not defined herein shall have meanings ascribed to such terms under the Amended and Restated SHA and/or the TIL DSA (as the case may be).

- 1 The principal amount payable towards each Series B1 OCD is INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise only).
- 2 The Series B1 OCDs each shall carry interest at the rate of 0.01% (zero point zero one per cent.) of the face value of each Series B1 OCD per annum, which interest shall accrue and be payable on a yearly basis in accordance with Part B of Schedule 7 of the Amended and Restated SHA (to be adjusted in accordance with the date on which Closing actually occurs, if required). The amount of interest shall be subject to withholding and deduction of applicable



Taxes at source.

- 3 The number of Series B Preference Shares to be issued to the Series B1 Debenture Holders upon conversion are subject to the terms and conditions of Series B1 OCDs set forth herein. The Series B1 OCDs shall have an initial conversion price equal to the Series B1 OCD Price (the *Series B1 OCD Conversion Price*) per Series B Preference Share, as adjusted pursuant to paragraphs 4, 6 and 7 herein from time to time.
- 4 Subject to receipt of the Governmental Approvals required under applicable Law, each Series B1 Debenture Holder may convert the Series B1 OCDs held by it in whole into Series B Preference Shares at any time of its choice prior to the Compulsory Conversion Date (*as defined below in this paragraph*) at least at the fair market value of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B1 OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. Each of the Series B1 Debenture Holder shall, at any time prior to the Compulsory Conversion Date, be entitled to call upon the Company to convert all (and not less than all) of the Series B1 OCDs held by it by issuing a notice to the Company accompanied by debenture certificate(s) or demat account statement representing the Series B1 OCDs sought to be converted. Immediately and no later than 45 (forty five) Business Days from the receipt of such notice, the Company shall issue Series B Preference Shares in respect of the Series B1 OCDs sought to be converted.

The Series B1 OCDs, if not converted earlier into Series B Preference Shares, shall, subject to applicable Law including receipt of the Governmental Approval required under applicable Law, be automatically converted by the Company, upon occurrence of the earlier of: (a) into Equity Shares, by the latest time permitted under applicable Law in connection with the consummation of the QIPO or an initial public offering of the Company's Equity Shares in accordance with the terms of the Amended and Restated Shareholders Agreement; or (b) into the Series B Preference Shares, simultaneously with the conversion of the Series B OCDs (the *Compulsory Conversion Date*). The conversion price applicable on the Compulsory Conversion Date shall be at least the fair market value of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B1 OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time.

The Equity Shares issued upon conversion of the Series B1 OCDs will in all respects rank *pari passu* with the Equity Shares already issued and such Equity Shares shall be entitled to all rights on the record date which falls on or after such date of issue of Equity Shares on conversion of the Series B1 OCDs.

- 5 The Series B Preference Shares issued upon conversion of the Series B1 OCDs will in all respects rank *pari passu* with the Series A Preference Shares already issued.

6 *Anti-dilution*

- 6.1 In the event that the Company offers any Securities to a new investor or a Third Party, in accordance with the terms of the Amended and Restated Shareholders Agreement, after the Closing Date, at a price less than the then effective Series B1 OCD Conversion Price, then the Series B1 OCD Conversion Price, as applicable, will be adjusted on a broad based weighted average basis to a price determined by the



following formula:

For the purpose of the above, the *New Conversion Price* shall be calculated in accordance with the formula below:

New Conversion Price = Series B1 OCD Conversion Price (as revised for any prior adjustments under paragraphs 6 and 7 of herein) * [(Total Equity Shares + Equity Shares Purchasable) / (Total Equity Shares + Equity Shares Purchased)]

where,

Total Equity Shares is the total number of Securities of the Company, calculated on a Fully Diluted Basis, on the assumption that all Securities have converted into Equity Shares;

Equity Shares Purchasable means the number of Equity Shares which would have been purchased, had Equity Shares been issued at the Series B1 OCD Conversion Price for the entire consideration of the proposed issuance by the Company; and

Equity Shares Purchased means the Equity Shares issued for the entire consideration of the proposed issuance by the Company; and in the event that the Securities being issued are not Equity Shares, but are convertible into Equity Shares, then the Equity Shares Purchased shall be calculated assuming that such Securities are converted at the lowest conversion price at which any potential investor would potentially be able to acquire a single Equity Share pursuant to the conversion of any Securities.

- 6.2 It is hereby clarified that the anti-dilution right available under this paragraph 6 shall not be available with respect to the Equity Shares issued, if any, and to be issued to employees, officers or consultants of the Company pursuant to the Employee Stock Option Plan.

7 Adjustments

If, while any Series B1 OCDs remain capable of being converted into Series B Preference Shares of the Company, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Series B Preference Shares issuable upon a conversion of the Series B1 OCDs, shall be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Series B Preference Shares issuable upon a conversion of the Series B1 OCDs, as the case may be, shall be proportionately decreased in the case of a consolidation (reverse stock split).

8 Liquidation Preference

- 8.1 Upon the occurrence of any Liquidation Event, the Series B1 Debenture Holders shall be entitled to, *pari passu* to the Series B OCDs and in preference over the Series A Preference Shares and the Equity Shares, for return of the amount as set out hereinafter. In the event of occurrence of a Liquidation Event, the surplus capital, if any remaining, after making payments as per the priority of payments set forth in the Act and to all other secured and unsecured creditors of the Company, shall be applied





- 11 All of the Parties agree that they will take all actions necessary to ensure that the Series B Debenture Holders receive the entirety of the economic benefits of their rights set forth herein and elsewhere in the Amended and Restated Shareholders Agreement, even if one or more of such rights are rendered unenforceable for any reason.

RESOLVED FURTHER THAT the valuation report dated 7 August 2020 issued by Vardhman Doogar, as placed before the meeting, be and is hereby approved and adopted.


RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 the name of Tencent Cloud Europe B.V. and Times Internet Limited, be recorded for the issue of invitation to subscribe to the Series B OCDs and the Series B1 OCDs, respectively and drafts of the private placement offer letters in Form PAS-4 and draft record of private placement (in form PAS-5) along with other documents related to the proposed issue of Series B OCDs and Series B1 OCDs, as placed before the Board be and are hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, any of the directors of the Company be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of the aforesaid Series B OCDs and Series B1 OCDs under the private placement offer and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of Series B OCDs and Series B1 OCDs, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT any of the directors of the Company be and are hereby severally authorised to make necessary filings with the statutory authorities, including but not limited to the Registrar of Companies and to take such necessary action as may be required for the purpose of the private placement offer and to submit all documents to the concerned authorities with respect to the same.

RESOLVED FURTHER THAT any of the directors of the Company and the Chief Executive Officer of the Company are hereby severally authorized to issue and deliver certified copies of this resolution, if necessary."

Certified to be true copy
For Gamma Gaana Limited


Joy Deb Kumar Basu
Director

DIN: 02313980

Address: C-74, DLF Summit Phase-5,
Gurgaon - 122002



CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS OF GAMMA GAANA LIMITED AT THE EXTRA-ORDINARY GENERAL MEETING HELD ON MONDAY, 24 AUGUST 2020 THROUGH VIDEO CONFERENCE FACILITY

RECORDING THE NAME OF THE OFFEREEES AND APPROVAL FOR OFFER AND ISSUE OF UNSECURED OPTIONALLY CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS

“RESOLVED THAT pursuant to the provisions of Section 42, Section 62 and Section 71 and any other applicable provisions of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment(s) thereof, for the time being in force), read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 as amended from time to time, and in terms of provisions of the Foreign Exchange Management Act, 1999 read with the Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated 26 March 2019 bearing reference number FED Master Direction No. 5/2018-19, the articles of association of the Company and/or other applicable provisions of laws and statutory and/or regulatory requirements and subject to the receipt of the necessary approvals, permissions and sanctions as may be applicable (including receipt of loan registration number from the Reserve Bank of India), approval of the shareholders of the Company be and is hereby accorded to issue the following classes of unsecured optionally convertible debentures having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, to the persons listed below (“Subscribers”) on private placement basis through issue of private placement offer letters on the terms and conditions stated below and in accordance with the terms and conditions set out under the (i) debenture subscription agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V; and (ii) another debenture subscription agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V (“Offer”):

Sl. No	Name of Subscriber	Class of OCDs	Number of OCDs offered	Subscription Price of each OCD (INR)	Face Value of each OCD (INR)	Total subscription amount (INR)
1.	Tencent Cloud Europe B.V.	Series B Optionally Convertible Debentures (“Series B OCDs”)	47,050	63,761.93	63,761.93	2,999,998,806.50
2.	Times Internet Limited	Series B1 Optionally Convertible Debentures (“Series B1 OCDs”)	11,763	63,761.93	63,761.93	750,031,582.59
	Total	-	58,813	-	-	3,750,030,389.09

RESOLVED FURTHER THAT the terms / rights of the Series B OCDs proposed to be issued shall be as set out in Part B of Schedule 5 to the amended and restated shareholders’ agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, Aceville Pte. Ltd. and Tencent



Cloud Europe B.V. ("Amended and Restated SHA") and Schedule 8 to the debenture subscription agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V ("Tencent DSA"), which are being reproduced below:

Rights of Series B Optionally Convertible Debentures

Capitalized terms used but not defined herein shall have meanings ascribed to such terms under the Amended and Restated SHA and/or the Tencent DSA (as the case may be).

- 1 The principal amount payable towards each Series B OCD is INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise only).
- 2 The Series B OCDs each shall carry interest at the rate of 0.01% (zero point zero one per cent.) of the face value of each Series B OCD per annum, which interest shall accrue and be payable on a yearly basis in accordance with Part A of Schedule 7 of the Amended and Restated SHA (to be adjusted in accordance with the date on which Closing actually occurs, if required). The amount of interest shall be subject to withholding and deduction of applicable Taxes at source.
- 3 The number of Series B Preference Shares to be issued to the Series B Debenture Holders upon conversion are subject to the terms and conditions of Series B OCDs set forth herein. The Series B OCDs shall have an initial conversion price equal to the Series B OCD Price (the *Series B OCD Conversion Price*) per Series B Preference Share, as adjusted pursuant to paragraphs 4, 6 and 7 herein from time to time.
- 4 Subject to receipt of the Governmental Approvals required under applicable Law, each Series B Debenture Holder may convert the Series B OCDs held by it in whole into Series B Preference Shares at any time of its choice prior to the Compulsory Conversion Date (*as defined below in this paragraph*) at the fair market value (determined as per the methodology prescribed under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019) of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. Each of the Series B Debenture Holder shall, at any time prior to the Compulsory Conversion Date, be entitled to call upon the Company to convert all (and not less than all) of the Series B OCDs held by it by issuing a notice to the Company accompanied by debenture certificate(s) or demat account statement representing the Series B OCDs sought to be converted. Immediately and no later than 45 (forty five) Business Days from the receipt of such notice, the Company shall procure the valuation report and issue Series B Preference Shares in respect of the Series B OCDs sought to be converted.

The Series B OCDs, if not converted earlier into Series B Preference Shares, shall, subject to applicable Law including receipt of the Governmental Approval required under applicable Law, at the option of the Company be converted into Equity Shares by the latest time permitted under applicable Law in connection with the consummation of the QIPO or an initial public offering of the Company's Equity Shares in accordance with the terms of the Amended and Restated Shareholders' Agreement (the *Compulsory Conversion Date*), at the fair market value (determined as per the methodology prescribed under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019) of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. The Equity Shares issued upon conversion of the Series B OCDs will in all respects rank *pari passu* with the Equity Shares already issued and



such Equity Shares shall be entitled to all rights on the record date which falls on or after such date of issue of Equity Shares on conversion of the Series B OCDs.

- 5 The Series B Preference Shares issued upon conversion of the Series B OCDs will in all respects rank *pari passu* with the Series A Preference Shares already issued.

6 *Anti-dilution*

- 6.1 In the event that the Company offers any Securities to a new investor or a Third Party, in accordance with the terms of the Amended and Restated Shareholders' Agreement, after the Closing Date, at a price less than the then effective Series B OCD Conversion Price, then the Series B OCD Conversion Price, as applicable, will be adjusted on a broad based weighted average basis to a price determined by the following formula:

For the purpose of the above, the *New Conversion Price* shall be calculated in accordance with the formula below:

New Conversion Price = Series B OCD Conversion Price (as revised for any prior adjustments under paragraphs 6 and 7 herein) * [(Total Equity Shares + Equity Shares Purchasable) / (Total Equity Shares + Equity Shares Purchased)]

where,

Total Equity Shares is the total number of Securities of the Company, calculated on a Fully Diluted Basis, on the assumption that all Securities have converted into Equity Shares;

Equity Shares Purchasable means the number of Equity Shares which would have been purchased, had Equity Shares been issued at the Series B OCD Conversion Price for the entire consideration of the proposed issuance by the Company; and

Equity Shares Purchased means the Equity Shares issued for the entire consideration of the proposed issuance by the Company; and in the event that the Securities being issued are not Equity Shares, but are convertible into Equity Shares, then the Equity Shares Purchased shall be calculated assuming that such Securities are converted at the lowest conversion price at which any potential investor would potentially be able to acquire a single Equity Share pursuant to the conversion of any Securities.

- 6.2 It is hereby clarified that the anti-dilution right available under this paragraph 6 shall not be available with respect to the Equity Shares issued, if any, and to be issued to employees, officers or consultants of the Company pursuant to the Employee Stock Option Plan.

7 *Adjustments*

- 7.1 If, while any Series B OCDs remain capable of being converted into Series B Preference Shares of the Company, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Series B Preference Shares issuable upon a conversion of the Series B OCDs, shall be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Series B Preference Shares issuable upon a conversion of the Series B OCDs, as the case may be, shall be proportionately decreased in the case of a



consolidation (reverse stock split).

8 Liquidation Preference

- 8.1 Upon the occurrence of any Liquidation Event, the Series B Debenture Holders shall be entitled to, *pari passu* to the Series B1 OCDs and in preference over the Series A Preference Shares and the Equity Shares, for return of the amount as set out hereinafter. In the event of occurrence of a Liquidation Event, the surplus capital, if any remaining, after making payments as per the priority of payments set forth in the Act and to all other secured and unsecured creditors of the Company, shall be applied such that, prior to any distribution of such capital to holders of Series A Preference Shares and the Equity Shares, the Series B Debenture Holders on a *pari passu* basis with Series B1 Debenture Holders contemporaneously receive the greater of: (a) the Series B OCD Liquidation Amount; or (b) an amount the Series B Debenture Holder would have received, had the Series B OCDs it holds been converted into Series B Preference Shares immediately prior to the Liquidation Event,

where

Series B OCD Liquidation Amount shall mean in respect of a Series B Debenture Holder, a sum equivalent to the multiple of the Series B OCD Price and the total number of Series B OCDs held by such Series B Debenture Holder.

- 8.2 In any Liquidation Event, if proceeds received by the Company or its Shareholders are other than cash, its value will be deemed its fair market value. Any securities shall, subject to the applicable Law then in force, be valued as follows:
- 8.2.1 if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event;
 - 8.2.2 if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event; and
 - 8.2.3 if there is no active public market, the value shall be, as mutually determined by the Company, Parent and the Investors.
- 8.3 The Series B Debenture Holders shall not be entitled to liquidation preference in the event of occurrence of a QIPO or an initial public offering of the Company's Equity Shares in accordance with the Amended and Restated Shareholders' Agreement.
- 8.4 The treatment of any particular transaction or series of related transactions as Liquidation Event may be waived only with the written approval of a majority of the Series B Debenture Holders.

9 Redemption or Repayment



The Series B OCDs shall be redeemed on the outstanding principal amounts and accrued but unpaid interest payable by the Company towards the Series B OCDs shall be repaid to the Series B Debenture Holder after expiry of a period of 10 (ten) years and certain additional days (as the case maybe), commencing from the Closing Date i.e. on 30 September 2020, in the manner mutually agreed between the Parties and Aceville Pte. Ltd.

10 All-in-Cost Ceiling

The all-in-cost ceiling agreed and applicable on the Series B OCDs issued by the Company on the Closing Date is 10.314% (ten point three one four per cent.) per annum.

- 11 Any amendment to the rights, preferences or privileges of the Series B OCDs shall require approval of the holders of at least a majority of the Series B OCDs and Series B1 OCDs.
- 12 All of the Parties agree that they will take all actions necessary to ensure that the Series B Debenture Holders receive the entirety of the economic benefits of their rights set forth herein and elsewhere in the Amended and Restated Shareholders' Agreement, even if one or more of such rights are rendered unenforceable for any reason.

RESOLVED FURTHER THAT the terms / rights of the Series B1 OCDs proposed to be issued shall be as set out in Part C of Schedule 5 to the amended and restated shareholders' agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, Aceville Pte. Ltd. and Tencent Cloud Europe B.V. ("Amended and Restated SHA") and Schedule 8 to the debenture subscription agreement dated 10 August 2020 entered into by and amongst the Company, Times Internet Limited, and Tencent Cloud Europe B.V. ("TIL DSA"), which are being reproduced below:

Rights of Series B1 Optionally Convertible Debentures

Capitalized terms used but not defined herein shall have meanings ascribed to such terms under the Amended and Restated SHA and/or the TIL DSA (as the case may be).

- 1 The principal amount payable towards each Series B1 OCD is INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise only).
- 2 The Series B1 OCDs each shall carry interest at the rate of 0.01% (zero point zero one per cent.) of the face value of each Series B1 OCD per annum, which interest shall accrue and be payable on a yearly basis in accordance with Part B of Schedule 7 of the Amended and Restated SHA (to be adjusted in accordance with the date on which Closing actually occurs, if required). The amount of interest shall be subject to withholding and deduction of applicable Taxes at source.
- 3 The number of Series B Preference Shares to be issued to the Series B1 Debenture Holders upon conversion are subject to the terms and conditions of Series B1 OCDs set forth herein. The Series B1 OCDs shall have an initial conversion price equal to the Series B1 OCD Price (the *Series B1 OCD Conversion Price*) per Series B Preference Share, as adjusted pursuant to paragraphs 4, 6 and 7 herein from time to time.
- 4 Subject to receipt of the Governmental Approvals required under applicable Law, each Series B1 Debenture Holder may convert the Series B1 OCDs held by it in whole into Series B Preference Shares at any time of its choice prior to the Compulsory Conversion Date (*as defined below in this paragraph*) atleast at the fair market value of the Securities of the Company prevailing at the time of



conversion, *provided however* the conversion price shall not be lower than the Series B1 OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time. Each of the Series B1 Debenture Holder shall, at any time prior to the Compulsory Conversion Date, be entitled to call upon the Company to convert all (and not less than all) of the Series B1 OCDs held by it by issuing a notice to the Company accompanied by debenture certificate(s) or demat account statement representing the Series B1 OCDs sought to be converted. Immediately and no later than 45 (forty five) Business Days from the receipt of such notice, the Company shall issue Series B Preference Shares in respect of the Series B1 OCDs sought to be converted.

The Series B1 OCDs, if not converted earlier into Series B Preference Shares, shall, subject to applicable Law including receipt of the Governmental Approval required under applicable Law, be automatically converted by the Company, upon occurrence of the earlier of: (a) into Equity Shares, by the latest time permitted under applicable Law in connection with the consummation of the QIPO or an initial public offering of the Company's Equity Shares in accordance with the terms of the Amended and Restated Shareholders Agreement; or (b) into the Series B Preference Shares, simultaneously with the conversion of the Series B OCDs (the *Compulsory Conversion Date*). The conversion price applicable on the Compulsory Conversion Date shall be at least the fair market value of the Securities of the Company prevailing at the time of conversion, *provided however* the conversion price shall not be lower than the Series B1 OCD Conversion Price as adjusted only pursuant to paragraphs 6 and 7 herein from time to time.

The Equity Shares issued upon conversion of the Series B1 OCDs will in all respects rank *pari passu* with the Equity Shares already issued and such Equity Shares shall be entitled to all rights on the record date which falls on or after such date of issue of Equity Shares on conversion of the Series B1 OCDs.

- 5 The Series B Preference Shares issued upon conversion of the Series B1 OCDs will in all respects rank *pari passu* with the Series A Preference Shares already issued.

6 **Anti-dilution**

- 6.1 In the event that the Company offers any Securities to a new investor or a Third Party, in accordance with the terms of the Amended and Restated Shareholders Agreement, after the Closing Date, at a price less than the then effective Series B1 OCD Conversion Price, then the Series B1 OCD Conversion Price, as applicable, will be adjusted on a broad based weighted average basis to a price determined by the following formula:

For the purpose of the above, the *New Conversion Price* shall be calculated in accordance with the formula below:

$$\text{New Conversion Price} = \text{Series B1 OCD Conversion Price (as revised for any prior adjustments under paragraphs 6 and 7 of herein)} * \frac{[(\text{Total Equity Shares} + \text{Equity Shares Purchasable})]}{(\text{Total Equity Shares} + \text{Equity Shares Purchased})}$$

where,

Total Equity Shares is the total number of Securities of the Company, calculated on a Fully Diluted Basis, on the assumption that all Securities have converted into Equity Shares;



- 8.2.1 if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event;
- 8.2.2 if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the 20 (twenty) trading day period ending 3 (three) trading days prior to the closing of the Liquidation Event; and
- 8.2.3 if there is no active public market, the value shall be, as mutually determined by the Company, Parent and the Investors.
- 8.3 The Series B1 Debenture Holders shall not be entitled to liquidation preference in the event of occurrence of a QIPO or an initial public offering of the Company's Equity Shares in accordance with the terms of the Amended and Restated Shareholders Agreement.
- 8.4 The treatment of any particular transaction or series of related transactions as Liquidation Event may be waived only with the written approval of a majority of the Series B1 Debenture Holders.

9 Redemption or Repayment

The Series B1 OCDs shall be redeemed or the outstanding principal amounts and accrued but unpaid interest payable by the Company towards the Series B1 OCDs shall be repaid to the Series B1 Debenture Holder after expiry of a period of 10 (ten) years and certain additional days (as the case may be) commencing from the Closing Date i.e. on 30 September 2020, in the manner mutually agreed between the Parties and Aceville Pte. Ltd.

- 10 Any amendment to the rights, preferences or privileges of the Series B1 OCDs shall require approval of the holders of at least a majority of the Series B OCDs and Series B1 OCDs.
- 11 All of the Parties agree that they will take all actions necessary to ensure that the Series B Debenture Holders receive the entirety of the economic benefits of their rights set forth herein and elsewhere in the Amended and Restated Shareholders Agreement, even if one or more of such rights are rendered unenforceable for any reason.

RESOLVED FURTHER THAT the valuation report dated 7 August 2020 issued by Vardhman Doogar, as placed before the meeting, be and is hereby approved and adopted.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 the name of Tencent Cloud Europe B.V. and Times Internet Limited, be recorded for the issue of invitation to subscribe to the Series B OCDs and the Series B1 OCDs, respectively and drafts of the private placement offer letters in Form PAS-4 and draft record of private placement (in form PAS-5) along with other documents related to the proposed issue of Series B OCDs and Series B1 OCDs, as placed before the meeting be and are hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, any of the directors of the Company, be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of the aforesaid Series B OCDs and Series B1 OCDs under the private



placement offer and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of Series B OCDs and Series B1 OCDs, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT any of the directors of the Company be and are hereby severally authorised to make necessary filings with the statutory authorities, including but not limited to the Registrar of Companies and to take such necessary action as may be required for the purpose of the private placement offer and to submit all documents to the concerned authorities with respect to the same.

RESOLVED FURTHER THAT any of the directors of the Company and the Chief Executive Officer of the Company are hereby severally authorized to issue and deliver certified copies of this resolution, if necessary.”

**Certified True Copy
For Gamma Gaana Limited**



**Joy Deb Kumar Basu
Director**

DIN: 02313980

**Address: C-74, DLF Summit Phase-5,
Gurgaon - 122002**



CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT TO THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS OF GAMMA GAANA LIMITED AT THE EXTRA-ORDINARY GENERAL MEETING HELD ON MONDAY, 24 AUGUST 2020 THROUGH VIDEO CONFERENCE FACILITY

Tencent Cloud Europe B.V. and Times Internet Limited have agreed to subscribe to series B optionally convertible debentures and series B1 optionally convertible debentures of the Company, respectively, having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, aggregating to a total subscription amount of INR 3,750,030,389.09 (Indian Rupees Three Billion Seven Hundred Fifty Million Thirty Thousand Three Hundred Eighty Nine and Nine Paise only), in the proportion and manner set out below:

Sl. No	Name of Subscriber	Class of OCDs	Number of OCDs offered	Subscription Price of each OCD (INR)	Face Value of each OCD (INR)	Total subscription amount (INR)
1.	Tencent Cloud Europe B.V.	Series B Optionally Convertible Debentures ("Series B OCDs")	47,050	63,761.93	63,761.93	2,999,998,806.50
2.	Times Internet Limited	Series B1 Optionally Convertible Debentures ("Series B1 OCDs")	11,763	63,761.93	63,761.93	750,031,582.59
	Total	-	58,813	-	-	3,750,030,389.09

As per Section 42 and Section 62 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment) Rules, 2014 and Rule 13 of Companies (Share Capital and Debentures) Rules, 2014, a company offering or making an invitation to subscribe to securities, on a private placement cum preferential allotment basis, is required to obtain the prior approval of the shareholders by way of a special resolution, for each of the offers and invitations.

The additional disclosures under Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 are also set out below.

None of the directors or key managerial personnel or their relatives are concerned or interested, financially or otherwise in the proposed resolution.

The Board of Directors of the Company in its meeting has approved the above proposal and recommends the passing of the proposed special resolution as contained in the notice, by shareholders of the Company.

Accordingly, your directors recommend the resolution in item No. 2, as **special resolution** for your approval.



1. Particulars of the offer including kinds of securities and price:

Sl. No	Name of Subscriber	Class of OCDs	No. of OCDs offered	Subscription Price of each OCD (INR)	Face Value of each OCD (INR)	Total subscription amount (INR)
1.	Tencent Cloud Europe B.V.	Series B Optionally Convertible Debentures ("Series B OCDs")	47,050	63,761.93	63,761.93	2,999,998,806.50
2.	Times Internet Limited	Series B1 Optionally Convertible Debentures ("Series B1 OCDs")	11,763	63,761.93	63,761.93	750,031,582.59
	Total	-	58,813	-		3,750,030,389.09

2. The object of the issue and date of passing of the board resolution:

The proceeds proposed to be raised in terms of the private placement offer cum preferential allotment will be utilized for working capital and general corporate purposes and/or for any other special purpose in relation to the business of the Company as approved by the board of directors, from time to time and in accordance with applicable law. The said issuance is approved by the board of directors of the Company vide its resolution dated 21 August 2020.

3. The total number of shares or other securities to be issued:

The total number of securities to be issued are 47,050 Series B OCDs having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each and 11,763 Series B1 OCDs having face value of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, at a subscription price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) each, aggregating to INR 3,750,030,389.09 (Indian Rupees Three Billion Seven Hundred Fifty Million Thirty Thousand Three Hundred Eighty Nine and Nine Paise only).

4. The amount which the Company intends to raise by way of such securities:

The Company intends to raise an amount of INR 3,750,030,389.09 (Indian Rupees Three Billion Seven Hundred Fifty Million Thirty Thousand Three Hundred Eighty Nine and Nine Paise only).

5. The manner of issue:

Private placement cum preferential allotment in accordance with the provisions of Sections 42, 71 and 62(1)(c) of the Companies Act, 2013 (including any statutory modifications(s) or re-enactment(s) thereof, for the time being in force), and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014.



6. The price at which shares are proposed to be offered and allotted:

Each Series B OCD is being offered at a per Series B OCD price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) and each Series B1 OCD is being offered at a per Series B1 OCD price of INR 63,761.93 (Indian Rupees Sixty Three Thousand Seven Hundred Sixty One and Ninety Three Paise) (collectively the "Series B Issue Price") aggregating to a total subscription price of INR 3,750,030,389.09 (Indian Rupees Three Billion Seven Hundred Fifty Million Thirty Thousand Three Hundred Eighty Nine and Nine Paise only).

7. Basis on which the price (including premium, if any) has been arrived along with the report of the registered valuer:

The Series B Issue Price for the offer is based on the valuation report dated 7 August 2020 submitted by a registered valuer, namely Vardhman Doogar. The copy of the valuation report has also been circulated to the shareholders of the Company.

8. Relevant date with reference to which the price has been arrived at:

31st March 2020

9. Terms of issue of the Series B OCDs and Series B1 OCDs:

As per the terms of the amended and restated shareholders' agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, Aceville Pte. Ltd. and Tencent Cloud Europe B.V. ("Amended and Restated SHA"), the Tencent DSA and debenture subscription agreement dated August 10, 2020 entered into by and among the Company, Tencent Cloud Europe B.V. and Times Internet Limited ("TIL DSA"). The rights / terms of the Series B OCDs and Series B1 OCDs are reproduced under the EGM notice.

10. The class or classes of persons to whom the allotment is proposed to be made:

The offer for the issuance of the Series B1 OCDs and Series B OCDs is being made to Times Internet Limited and Tencent Cloud Europe B.V., respectively, being companies limited by shares.

11. Intention of promoters, directors or key managerial personnel to subscribe to the offer:

Times Internet Limited intends to subscribe to 11,763 Series B1 OCDs.

12. Principle terms of assets charged as securities :

Series B1 OCDs and Series B OCDs are unsecured, hence NIL.

13. The proposed time limit within which the allotment shall be completed:

On the date of receipt of funds from Times Internet Limited and Tencent Cloud Europe B.V.

14. The names of the proposed allottee and the percentage of post preferential offer capital that may be held by them on a fully diluted basis:



Name of Allottee	Class of Securities	No. of Securities	Price per OCD (INR)	Face Value per OCD (INR)	Percentage Holding (post preferential allotment and on a fully diluted basis)
Tencent Cloud Europe B.V.	Series B OCDs	47,050	63,761.93	63,761.93	7.67%
Times Internet Limited	Series B1 OCDs	11,763	63,761.93	63,761.93	60.18%

15. The change in control, if any, in the company that would occur consequent to the private placement offer:

NIL

16. The number of persons to whom allotment on private placement basis has already been made during the year, in terms of number of securities as well as price:

There were no allotments by way of private placement during the year.

17. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

No allotment under the Offer is being made for consideration other than cash.

18. The expected dilution in equity share capital upon conversion of preference shares:

As per the conversion terms of the securities as set out under the amended and restated shareholders' agreement dated August 10, 2020 entered into by and amongst the Company, Times Internet Limited, Aceville Pte. Ltd. and Tencent Cloud Europe B.V. ("Amended and Restated SHA"), the Tencent DSA and the TIL DSA. The aforesaid conversion terms are reproduced under the EGM notice.

19. The pre issue and post issue shareholding pattern of the Company:

Sl. No.	Category	Pre Issue		Post Issue (on a fully diluted basis)	
		No of shares held	% of share holding	No of shares held	% of share holding
A.	Promoters' holding :				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate (including shares held by nominees of Times Internet Limited)	3,57,472	63.98%	3,69,235	60.18%
	Sub - Total	3,57,472	63.98%	3,69,235	60.18%
2.	Foreign Promoters:				
	Individual	-	-	-	-
	Bodies Corporate	-	-	-	-
	Sub Total (A)	3,57,472	63.98%	3,69,235	60.18%
B.	Non-Promoters' holding :				



**GAMMA GAANA LIMITED**

Times Center, FC-6, Film City, Sector 16A, Noida-201301

Tel: +91-120-5776999, Fax: +91-120-6198113

Registered Office: Express Building, 9-10, Bahadurshah Zafar Marg
New Delhi - 110002

Tel: +91-11-23302000/49372000

CIN : U72900DL2012PLC241148

1.	Institutional Investors	-	-	-	-
2.	Non-Institution :	-	-	-	-
	Private Corporate Bodies	1,64,266	29.40%	2,11,316	34.44%
	Employee Stock Option Pool	36,981	6.62%	32,981	5.38%
	Directors and Relatives				
	Indian Public	-	-	-	-
	Others (Including NRIs)	-	-		
	Sub Total (B)	2,01,247	36.02%	2,44,297	39.82%
	GRAND TOTAL	5,58,719	100.00%	6,13,532	100.00%

Certified True Copy
For Gamma Gaana Limited

Joy Deb Kumar Basu
Director

DIN: 02313980

Address: C-74, DLF Summit Phase-5,
Gurgaon - 122002

Gamma Gaana Limited



FAIR VALUATION REPORT OF EQUITY SHARES

(March 31, 2020)



To,
The Directors,
Gamma Ganna Limited
Plot No. 391, Udyog Vihar Phase-III Gurgaon 122016, Haryana, India

Re: Valuation of Gamma Ganna Limited

Dear Sir / Madam,

In accordance with the terms of my letter of engagement, dated July, 20 2020, I enclose herewith valuation report providing my estimate on the fair value of equity shares of Gamma Ganna Limited ("GGL" or the "Company" or the "Client" or "Ganna") as of March 31, 2020 ("Valuation Date") for regulatory requirement purposes.

I have prepared this report to express my independent estimate on the fair value of equity shares of the Company. I understand that GGL, which is a resident entity may issue Optionally Convertible debentures to certain non-resident debt investors on a private placement basis. As part of this proposed transaction, it is necessary to estimate the fair value of the Company's equity shares to determine the initial conversion price.

In the process of formulating my value estimate, I held discussions with the management of GGL (the "Management") regarding the history and nature of operations, economic & competitive conditions, and prospects of GGL.

For this valuation, financials represented to be as of the date of valuation, documents and other records, and prospective financial information pertaining to the business operations and assets of GGL were furnished by the Management. I have made no representation as to the achievability of this prospective financial information, as actual results may differ, and these differences could be material. However, I did perform certain procedures to determine that the prospective financial information was reasonable and appropriate for use in the valuation process.

In addition, the Management provided historical financial statements and other records and documents for my analysis. This data was utilized without verification as correctly representing the operations of GGL.

My work has been based on Financial Information provided by GGL

This document has been prepared for the purposes stated herein and should not be relied upon for any other purposes. Unless required by law it shall not be provided to any third party or used for any other purpose.

Thanking you

Yours faithfully


(Vardhman Duggal)

Registered Valuer No: 18BI/RV/06/2019/10802

ICAI Membership No: 517347

UDIN: 20517347AAAAJK6446

Place: New Delhi

Date: 7th August, 2020

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Acronyms and Abbreviations

Abbreviated Form	Used For
BSE	Bombay Stock Exchange
CAGR	Compounded Annual Growth Rate
Capex	Capital Expenditure
CCIL	Clearing Corporation of India Limited
DCF	Discounted Cash Flows
EAT	Earnings After Tax
EBT	Earnings Before Tax
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EPS	Earnings Per Share
EV	Enterprise Value
FCFF	Free Cash Flows to the Firm
FY	Financial Year (April to March)
INR	Indian National Rupees
Kd	Cost of Debt
Ke	Cost of Equity
Registered Valuer	Vardhman Doogar
NSE	National Stock Exchange
PAT	Profit After Tax
PV	Present Value
WACC	Weighted Average Cost of Capital



Scope and Terms of Reference:

I understand that GGL, which is a resident entity may issue shares to certain non-resident debt investors on a private placement basis. As part of this proposed transaction, it is necessary to estimate the fair value of the Company's equity shares to determine the initial conversion price.

In this context, the Management has requested Vardhaman Doogar ("Registered Valuer") to carry out valuation of GGL as of March 31, 2020 ("Valuation Date") for above mentioned regulatory requirement purpose to estimate the fair value of the Company's equity shares on a fully diluted basis.

In the process of formulating my value estimate, I held discussions with the Management, and were provided various documents by Management. The historical financial data and other records and documents pertaining to GGL have been accepted without verification as proper representation of GGL operations and financial conditions.

Full details of the scope of my valuation and the terms and conditions which apply to my work are set out in my engagement letter dated July 20, 2020.

GGL is the sole intended user of this report, and the use of the report is restricted to the purpose indicated herein. This restriction does not preclude GGL from providing a copy of the report to its group companies, statutory auditors, advisors (including A. D. Banker) and/or regulatory authorities, whose review would be consistent with the intended use. Registered Valuer is not responsible for the unauthorized use of this report.

Sources of Information and Representations:

For the purpose of carrying out the valuation, I have relied on the following information and documents as made available to us by the management of GGL: -

- a) Audited financial statements of Gamma Gaana Limited for the financial year ended on March 31, 2019;
- b) Audited Financial Statements of the Company for the year ended March 31, 2020 approved by Board of Directors of the Company;
- c) Capital Structure and Shareholding Pattern of the Company as on Valuation date duly acknowledged and certified by the management the Company;
- d) Management the Company has provided financial projections of GGL for the next 5 years i.e. for the financial year ended March 31, 2021 to March 31, 2025, including management representations and estimates in relation to the aforesaid projected financials;
- e) I have also received the necessary explanations, information and representations from the Management of the Company;
- f) Discussion and representations from the management of the company for extrapolated projected financial information beyond the period ended 31st March 2025
- g) Brief overview of the business of the Company;
- h) Income Tax Return of the Company for the Assessment year 2019-20;

Further, I have used the following information as available: -

- a) Market and economic information from secondary sources such as industry research reports, press reports and other compilations that could affect the financial performance, value, and future outlook of the Company and;



Furthermore, Registered Valuer has inquired of Management of the Company as to whether there have been any events ("Post Valuation Events") that have occurred from the Valuation Date to the date this report was issued that would provide useful information to the users of this report. Management has affirmed that there have not been any material Post Valuation Events except as stated specifically in this report.

Management has been provided with the opportunity to review the draft report as part of my standard practice to make sure that factual inaccuracies /omissions are avoided in my final report. No independent confirmations have been requested from third parties except stated specifically.



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Caveats, Limitations and Disclaimers

The report is specific to the purpose of valuation agreed as per terms of my engagement and the date of this report. Events occurring subsequent to the date of this report have not been considered and I hold no obligation to update, revise or reaffirm this report for such subsequent events. The service of valuation does not represent any accounting, assurance, due diligence, consulting or tax related services that may otherwise be provided by us or my affiliates. This report, its contents and the results herein are subject to the applicable laws of India.

My Valuation is derived using the appropriate and standard valuation techniques and I have not done any separate exercise for validity of these methods. The fair value arrived at herein is not a precise science and the conclusion arrived at many cases will be subjective and dependent on the exercise of individual judgement. While I have provided my estimation of the fair value based on the information available to us and within the scope and constraints of my engagement, others may have a different opinion as to the said valuation. I have not recommended whether or not the Company should or should not consider the said valuation. There is therefore, no indisputable single value. However to comply with the requirements of this engagement, I have provided you with a single point estimate. These are matters for Company's judgment and will require it to consider the advice and work done by their colleagues and other advisers. The value has been given based on the terms and conditions attached to equity shares in shareholders' agreement or charter document, projected financials of the Company and other information and documents as provided to us by the Company. This Report is to be read in its entirety.

The representatives of the Company have assured us through management representation dated August 7, 2020 that the information supplied to us is complete and accurate and to the best of their knowledge for the valuation and I have solely relied on the same without analysing their technical, financial and market feasibility. I have not independently analysed, authenticated, reviewed, verified or approved any of the contents contained in the information base provided to us. It is clarified that my engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, if any exist. In performing my work, I have assumed the genuineness of all signatures and the authenticity of all the documents, whether in original or copies, submitted to us physical format and electronic mail. Accordingly, I express no opinion or make any representations concerning the accuracy and completeness of such information or document as provided and contained in the report.

The realization of free cash flows forecast provided to us and used in my analysis are dependent on the continuing validity of assumptions on which they are based. My analysis therefore cannot and will not be directed to provide any assurance about the achievability of the financial projections. Since financial forecast relate to future, actual results are likely to be different from the projected results because events do not occur as expected and differences can be material. The fee for this engagement is not contingent upon the results reported.

This report is confidential for use of the persons to whom it is issued and shall not be copied, disclosed, circulated or quoted in whole or in part, without my prior confirmation to any third party. It may, however, be produced before the Government authorities and any other statutory bodies in connection with the purpose outlined above. The report may be disclosed to legal and other professional advisors of the Company in order to seek advice in relation to my work, provided that I accept no responsibility or liability to them in connection with my report and my work. Any disclosure by them of the report and the details contained therein (save for their own internal purposes) is not permitted without my prior written consent. While due care has been exercised in carrying out the engagement, I shall not accept any



responsibility or liability to third parties to whom my Report may have been shown or into whose hands it may come.

Further, it has been agreed that in the particular circumstances of the case, liability of Firm, its partners, employees, affiliates and agents (in contract or tort or under statute or otherwise) for any economic loss or damage suffered by the client or any other party arising out of or in connection with this report, however the loss or damage is caused, including my negligence but not my wilful default, shall not arise and the Company will indemnify and hold harmless Registered Valuer and its partners, employees, affiliates and agents as concerns any such liability. In the event the Firm is requested pursuant to legal process to produce its documents relating to this engagement for the Company in judicial or administrative proceedings or otherwise to which the Firm is not party, the Company will reimburse us at standard billing rates for professional time and expenses, including reasonable attorney's fees, incurred in responding to such request.

This report shall not create or give rise to, nor shall it be intended to create or give rise to any third-party rights. No third party shall have any right to enforce or rely on any provision of this report, which does or may confer any right or benefit on any third party directly or indirectly, expressly or impliedly. The application of any legislation giving to or conferring on third parties contractual or other rights in connection with this report shall be excluded.



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Background and Information of the Company:

- **Gamma Gaana Limited** (hereinafter referred to as "**GGL**" or the "**Company**") bearing CIN U72900DL2012PLC241148 was incorporated under the provisions of Companies Act, 1956 as a Company limited by shares on August 27, 2012 presently having its registered office at Express Building, 9-10 Bahadurshah Zafar Marg, New Delhi-110002. The Company is primarily engaged in acquisition of music content, hosting streaming various types of music content in different languages through the digital media/application dedicated to online music streaming under the name 'Gaana'.
- Capital Structure of the Company as on Valuation date is as under:

Particulars	Amount in INR
Authorised Share Capital	
5,00,000 Equity Shares of Rs. 10/- each, Fully Paid Up	50,00,000
5,00,000 Series A Non-Cumulative Compulsorily Convertible Preference Shares of Rs. 100/- each	5,00,00,000
Total	5,50,00,000
Issued, Subscribed & Paid-up Capital	
3,32,833 Equity Shares of Rs. 10/- each, Fully Paid Up	33,28,330
1,88,905 Series A Non-Cumulative Compulsorily Convertible Preference Shares of Rs. 100/- each	1,88,90,500
Total	2,22,18,830



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Standalone Financial Position of the Company (Balance Sheet)

Amount in INR Lakhs

Particulars	Audited (Mar 31, 2020)	Audited (Mar 31, 2019)
ASSETS		
Non-Current Assets	1,080.65	138.69
Property, Plant & Equipment and Intangible Assets	142.76	18.27
Other Non-Current Assets	937.89	120.42
Current Assets	31,954.07	61,489.88
Investment	-	18,202.42
Trade Receivables	3,060.70	3,118.78
Cash and Cash Equivalents	13,142.52	28,413.11
Short-term Loans and Advances and Other Assets	15,750.85	11,755.57
Total	33,034.72	61,628.57
EQUITY & LIABILITIES		
Shareholders' Funds	17,051.37	50,069.81
Equity Share Capital	33.28	33.28
Instruments entirely Equity in Nature	188.91	188.91
Other Equity	16,829.18	49,847.62
Non-Current Liabilities	245.18	178.95
Provision	245.18	178.95
Current Liabilities	15,738.17	11,379.81
Trade Payables	5,345.34	4,029.17
Other Financial Liability	8,342.29	5,924.74
Other Current Liabilities	2,002.31	1,397.08
Short-term provision	48.23	28.82
Total	33,034.72	61,628.57



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Standalone Profit & Loss Statement*Amount in INR Lakhs*

Particulars	Audited (Mar 31, 2020)	Audited (Mar 31, 2019)
INCOME		
Revenue from Operations	11,983.75	7,834.67
Other Income	3,422.71	4,288.10
Total Revenue	15,406.46	12,122.77
EXPENSES		
Cost of Service	17,302.20	12,641.23
Employee Benefits	7757.52	3,777.31
Depreciation & Amortization	37.66	8.90
Other Expenses	25,492.77	15,012.40
Total Expenses	50,590.15	31,439.84
Profit/(Loss) for the year	(35,183.69)	(19,317.07)
Other Comprehensive Income	(14.90)	(26.08)
Total Comprehensive Income for the year	(35,198.59)	(19,343.15)



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Valuation Approaches & Methodology

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

There are several commonly used and accepted methods for determining the "fair value" of the business and the shares of a Company which could, to be extent applicable:

Different Approaches used for the purpose of valuation are:

A. MARKET APPROACH

Market approach or relative valuation aims to provide the value of an entity or business, based upon the entity's own quoted price in the market or price of the similar assets in the market. It provides a reasonable basis for valuation and is relatively a quick approach. In this approach, valuation can be arrived on the basis of the following methods:

- a) **Quoted Market Price:** In this method valuation is derived based on the prices quoted on the stock exchange having nationwide trading terminal. This valuation method is applicable for quoted companies only. The market value is determined by multiplying the quoted share price of the Company by the number of issued shares.
- b) **Price of Recent Investment ('PORI')/Price of Recent Transaction Method ('PORT'):** In this method price of an instrument is considered based on prices of transactions entered into for similar instruments by any other unrelated entity in case an active market for instrument is not available or instrument is not listed on the stock exchange having nationwide trading terminals.
- c) **Market Comparable Method:** It involves identification of comparable companies, and derivation and application of multiples after adjustment of differences in fundamentals. In this method a comparable Company having cash flows, growth potential and risk similar to the Company being valued or is engaged in similar line of business is identified first and then a standardised set of ratios for comparison, commonly known as multiples are arrived. Multiples are a ratio of the enterprise value/equity value over different financial parameters like Revenue, EBITDA, PAT, EPS, book value, etc. When comparable companies are not exactly similar to the Company being valued, the multiples derived from such companies cannot be applied sacrosanct; and thus, merit various subjective adjustments to account for differences in risk profile, growth rate, etc. For example, a Company with higher EBITDA margin should command a better multiple than an average performer or a positive adjustment is required for a Company with better growth potential.
- d) **Market Transaction Method:** This method uses transaction multiples in place of trading multiples. Transaction multiples, as the name suggests, are the multiples implied in the recent acquisitions/disposals of comparable companies. This method is especially useful if there are limited comparable companies. Also, it incorporates the market sentiments in a better way, as the multiples, unlike trading multiples which are affected by the inefficiencies of the market, are based on an informed negotiation between buyers and sellers.

B. INCOME APPROACH

The Income Approach derives an estimation of value based on the sum of the present value of expected economic benefits associated with the asset or business (Economic benefits have two components: cash flow (or dividends) and capital appreciation).



The Income Approach involves determination of the future maintainable earnings of a Company from its normal operations. Some of the commonly used techniques under the Income approach are as follows:

- a) **Earnings Multiple Method ('EM' method):** The EM Method describes the value of a business in terms of the earnings stream that the Company will be able to maintain in the future. A reasonable estimate of the average future maintainable earnings is made by considering past earning, trends and future plans of the Company. Thereafter, the value of the business is derived by multiplying estimated maintainable EBITDA of the entity with the EV/EBITDA multiple of strictly comparable companies in the industry.
- b) **Discounted Cash Flow Method ('DCF' method):** The DCF Method seeks to arrive at a value for the equity shares based on the strength of future Free Cash Flows (FCFs). The underlying assumption of this method is that the value of a business can be measured by the present value of net cash benefits (being cash inflows less cash outflows) to be received over the period of forecast and beyond. The appropriate discount rate to be used will be that which properly reflects the risks to the FCFs. DCF methodology expresses the present value of a business as a function of its future cash earnings capacity. This methodology involves estimation of post-tax-free cash flows for the projected period, after taking into account the business's requirement of reinvestment in the terms of capital expenditure and incremental working capital. The free cash flows so estimated are discounted to the present time at an appropriate discount rate. This method is used to determine the present value of a business on a going concern assumption. Finally, the present value of the cash flows over the period of estimation, the present value of the terminal value and current balance of cash equivalents is aggregated to arrive at the total present business/enterprise value.

C. ASSET APPROACH

This methodology is likely to be appropriate for a business whose value derives mainly from the underlying value of its assets rather than its earnings, such as property holding and investment business. This method may also be appropriate for a business that is not making an adequate return on assets and for which a greater value can be realized by liquidating the business and selling its assets.

The method generally used in this approach is referred to as Net Asset Value ('NAV') Method which represents the value of the shares with reference to the value of net assets (i.e. assets- liabilities) owned by the Company on the valuation date. Some of the most common techniques of valuation considered under NAV Method are to value a business enterprise on the following basis -

- a) **Book value:** In simple term, Assets less liabilities equals the owners' equity, which is the "Book Value" of the business.
- b) **Adjusted book value:** This method involves reviewing each and every assets and liabilities on the Company's balance sheet and adjusting it to reflect its estimated market value. The unrecorded and contingent liabilities are also considered at their fairly estimated value.
- c) **Replacement value:** The asset valuation methodology essentially estimates the cost of replacing the tangible assets of the business taking into account the market value of various assets or the expenditure required to create the infrastructure exactly similar to that of a Company being valued.



Key Assumptions in Valuation

Management assumptions with respect to future projections of GGL and other estimations-

Particulars	Key Assumptions
Revenue	<p>The company's revenue from operations comprise of Advertisement revenue, subscription revenues, juke box revenues and revenue from playout of streams on other platforms.</p> <ul style="list-style-type: none">• The Management is expecting its revenue from operations to reach INR 13,568 mn in year ended 2025 from INR 2,024 mn in 2021 growing at a CAGR of 46.31%.• The Management expects advertisement revenue to increase from INR 1,242 mn in FY 2021 to INR 6,244 mn in FY 2025 which represents a CAGR of 38.12%.• The Management expects subscription revenue to increase from INR 622 mn in FY 2021 to INR 6,630 mn in FY 2025 which represents a CAGR of 60.54%. <p>I understand from the management that growth is significantly attribute to following factors-</p> <ul style="list-style-type: none">• The management expects to acquire more customers from its Web, WAP and app platform due to increase in smart phone penetration and reduced data cost in India; thereby increasing the monetisation of playout streams form advertisement revenue;• Subscription revenue growth is mainly driven by growth in user base , increase in bundled subscriptions and Original content acquisition; <p>The revenue projections for extrapolated period is based on discussion with the Management and considering the business shifts from a high growth phase to a medium growth phase over the period FY 2026-2028.</p> <p>The management of the company as on valuation date doesn't force any major impact on the business; I are given to understand that the company might have some impact on advertisement revenue in Q1 of FY 2021, but the management estimates that that the fall in revenue in Q1 would be recouped in full year 2021.</p>
Total Cost (Direct & Indirect)	<p>The company's direct cost comprise of music streaming cost, content cost , direct advertisement sales cost and direct marketing cost for customer acquisition through digital medium.</p> <ul style="list-style-type: none">• The management is expecting its direct cost to reach INR 8,216 mn in year ended 2025 from INR 3,922 mn in 2021 growing at a CAGR of 15.94%• The Management expects content cost to increase from INR 2,367 mn in FY 2021 to INR 5,874 mn in FY 2025 which represents a CAGR of 19.94%. I understand that the content cost is direct proportion revenue earn from subscription and cost per stream in case non-paying subscribers. The management expects content cost to come down as volumes of streams increases and due change from per stream cost to revenue sharing arrangements with music labels <p>The company's indirect cost comprise of above the line Marketing expenses, manpower cost and other general and administration expenses.</p> <ul style="list-style-type: none">• The management is expecting indirect cost to reach INR 2,217 mn in year ended 2025 from INR 1,214 mn in 2021 growing at a CAGR of 12.80%



Working Capital	The company has provided us with the working capital calculation in projected years i.e FY 2021 till FY 2025; The management presumes the working capital required in the business to go down mainly due to recovery of high input GST , higher subscription revenue in future years which is received in advance;																																																																																																		
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	<table><tr><th>Particulars</th><th>FY 2020</th><th>FY 2021</th><th>FY 2022</th><th>FY 2023</th><th>FY 2024</th><th>FY 2025</th></tr><tr><td>Trade Receivable</td><td>306.07</td><td>441.77</td><td>596.00</td><td>873.18</td><td>1,262.48</td><td>1,805.80</td></tr><tr><td>Other Financial Assets</td><td>70.66</td><td>97.51</td><td>159.89</td><td>265.85</td><td>430.73</td><td>653.68</td></tr><tr><td>Loans</td><td>0.11</td><td>0.11</td><td>0.11</td><td>0.11</td><td>0.11</td><td>0.11</td></tr><tr><td>Current Tax Assets (TDS)</td><td>41.65</td><td>69.37</td><td>115.83</td><td>193.09</td><td>318.25</td><td>508.20</td></tr><tr><td>Other Current Assets</td><td>1,462.67</td><td>1,856.15</td><td>2,166.92</td><td>2,276.41</td><td>1,974.94</td><td>1,090.30</td></tr><tr><td>Total Current Assets</td><td>1,881.15</td><td>2,464.91</td><td>3,038.75</td><td>3,608.64</td><td>3,986.51</td><td>4,058.09</td></tr><tr><td>Trade Payables+ Other Financial Liabilities</td><td>1,368.76</td><td>1,627.44</td><td>1,777.79</td><td>1,981.35</td><td>2,210.78</td><td>2,629.63</td></tr><tr><td>Other Current Liabilities</td><td>200.23</td><td>221.58</td><td>443.09</td><td>792.97</td><td>1,354.03</td><td>2,054.04</td></tr><tr><td>Provisions</td><td>29.34</td><td>38.10</td><td>43.71</td><td>51.49</td><td>61.47</td><td>85.06</td></tr><tr><td>Total Current Liabilities</td><td>1,598.34</td><td>1,887.12</td><td>2,264.59</td><td>2,825.81</td><td>3,626.29</td><td>4,768.73</td></tr><tr><td>Working Capital</td><td>282.82</td><td>577.79</td><td>774.17</td><td>782.82</td><td>360.23</td><td>(710.64)</td></tr><tr><td>Incremental WC</td><td></td><td>308.82</td><td>196.38</td><td>8.66</td><td>(422.60)</td><td>(1,070.86)</td></tr><tr><td>Working Capital as% of sales</td><td>24.07%</td><td>28.55%</td><td>23.33%</td><td>14.19%</td><td>4.03%</td><td>(5.24%)</td></tr></table>	Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Trade Receivable	306.07	441.77	596.00	873.18	1,262.48	1,805.80	Other Financial Assets	70.66	97.51	159.89	265.85	430.73	653.68	Loans	0.11	0.11	0.11	0.11	0.11	0.11	Current Tax Assets (TDS)	41.65	69.37	115.83	193.09	318.25	508.20	Other Current Assets	1,462.67	1,856.15	2,166.92	2,276.41	1,974.94	1,090.30	Total Current Assets	1,881.15	2,464.91	3,038.75	3,608.64	3,986.51	4,058.09	Trade Payables+ Other Financial Liabilities	1,368.76	1,627.44	1,777.79	1,981.35	2,210.78	2,629.63	Other Current Liabilities	200.23	221.58	443.09	792.97	1,354.03	2,054.04	Provisions	29.34	38.10	43.71	51.49	61.47	85.06	Total Current Liabilities	1,598.34	1,887.12	2,264.59	2,825.81	3,626.29	4,768.73	Working Capital	282.82	577.79	774.17	782.82	360.23	(710.64)	Incremental WC		308.82	196.38	8.66	(422.60)	(1,070.86)	Working Capital as% of sales	24.07%	28.55%	23.33%	14.19%	4.03%	(5.24%)
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ure – Licensing	Years	Long Term Expenditure
	FY 20-21	51.94
	FY 21-22	52.76
	FY 22-23	70.03
	FY 23-24	71.73
	FY 24-25	85.88
Tax Rate	Tax rate has been assumed to be of 25.17% as per statutory rate applicable on domestic companies in India whose turnover is up to 250 crores in a financial year. It also includes surcharge rate of 10% as Company's level of income is expected to reach above 10 Crore in a financial year 2027-28 and health & education cess of 4%.	

Valuer's Assumptions on basis of discussion with Management-

Particulars	Key Assumptions
Terminal Growth	The terminal value, or value attributed to the GGL operations beyond the explicit forecast period (i.e. beyond FY 2028), was estimated using a perpetuity growth computation. Long term average growth rate at terminal year is assumed to be of 5% considering the historical growth in Media industry in India and management assumptions for growth of business.
Cost of Equity (Ke)	Ke is taken at 19.88% for the first five years (i.e., 2020-21 to 2024-25) considering a higher company specific risk premium and volatility in markets due to ongoing COVID-19 pandemic. The Ke has been considered at 16.36% for the years beyond 2024-25. Ke has been calculated using the Adjusted Capital Asset Pricing Model. The cash flows have been discounted considering Ke as the discount rate
Cost of Debt (Kd)	As the company is not having any debt, Kd (After Tax) is taken at 0%.

Valuation Approaches & Methodology: Adopted

I have valued the shares of "GGL" on 'going concern' basis since the Company is expected to continue its business operations and have considered the following methodologies while carrying out the valuation exercise to determine the fair value of equity share for determining the initial conversion price for optionally convertible debentures as on Valuation date.

The company has Series A Preference Shares, ESOP which are fully convertible into equity instruments, I have determined value per equity share of the Company for arriving at the initial conversion price for optionally convertible debentures. The shareholding structure has been provided by the management in the basis of which the value per equity share is calculated on a fully diluted basis.

I have valued the equity share of the Company using DCF Method under income approach. The value has been derived using financial projections provided to us by the Management of the Company.

DCF Analysis involves determining the following:

- Estimating future free cash flows:** Free cash flows are the cash flows expected to be generated by the Company that are available to all the capital providers of the Company (i.e. debt and equity).
- Estimating Terminal Value:** Terminal Value has been calculated based on the Gordon Growth Model taking FCF at the end of Explicit Period (i.e. 8 years), Terminal Growth Rate and Appropriate discount rate.



- c) **Appropriate discount rate to be applied to cash flows i.e. the cost of capital:** The discount rate, which is applied to the free cash flows should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the Company (known as WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk. Considering that the future projections aims to generate majority of cash flows from India, discount rate has been derived using parameters prevailing and effecting Indian Market.

To arrive at the total value available to the equity shareholders of the Company, the projected free cash flows to the firm and Terminal Value are discounted at the weighted average cost of capital (WACC). The sum of the discounted value of such free cash flows is the value of the firm (FCFF). The value so arrived is adjusted for the value of loans, redeemable preference capital (collectively referred to as "Debt Payment Obligation"), existing current liabilities, contingent liability and cash & cash equivalents etc. as deemed appropriate.

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Present Value of Future Cash Flows of GGL:

Amount in INR Lakhs

Particulars	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Terminal Year
Revenue from Operations	20,238.47	33,185.87	55,179.64	89,402.32	1,35,678.29	1,81,523.10	2,24,457.93	2,58,966.43	2,58,966.43
Less: Direct Cost	39,219.72	47,116.23	57,755.63	68,878.67	82,161.92	93,435.31	1,03,981.62	1,13,969.52	1,13,969.52
Less: Indirect Cost	13,185.49	13,543.87	15,115.45	17,606.19	22,170.94	25,213.00	28,058.87	30,754.05	30,754.05
EBITDA	(32,166.73)	(27,474.23)	(17,691.44)	2,917.46	31,345.43	62,874.79	92,417.44	1,14,242.87	1,14,242.87
Less: Depreciation	70.88	121.28	102.79	89.45	79.99	75.50	72.36	69.98	69.98
Less: Interest	-	-	-	-	-	-	-	-	-
EBT	(32,237.61)	(27,595.51)	(17,794.23)	2,828.02	31,265.44	62,799.28	92,345.08	1,14,172.89	1,14,172.89
Less: Tax	-	-	-	711.75	7,868.89	15,805.32	23,241.41	28,735.03	28,735.03
EAT	(32,237.61)	(27,595.51)	(17,794.23)	2,116.26	23,396.55	46,993.96	69,103.67	85,437.86	85,437.86
Add: Depreciation	70.88	121.28	102.79	89.45	79.99	75.50	72.36	69.98	69.98
Add: Interest (1-Tax Rate)	-	-	-	-	-	-	-	-	-
Less: Increase/(Decrease) in Working Capital	(2,949.68)	(1,963.77)	(86.59)	4,225.98	10,708.62	2,401.19	2,248.78	1,807.43	1,807.43
Less: Capital Expenditure	365.63	71.98	72.69	66.07	62.25	68.25	67.31	65.97	65.97
Less: Long term expenditure on Licensing Rights	673.31	527.68	700.33	717.33	858.81	701.04	744.38	755.39	755.39
Free Cash Flows to Firm (FCFF)	(36,155.35)	(30,037.67)	(18,551.05)	5,648.29	33,264.10	48,701.37	70,613.11	86,493.91	86,493.91
Discount Rate (%)	19.88%	19.88%	19.88%	19.88%	19.88%	16.36%	16.36%	16.36%	16.36%
Present Value Factor- Mid Year Discounting	0.91x	0.76x	0.64x	0.53x	0.44x	0.43x	0.37x	0.32x	0.32x
Present Value of FCFF	(33,022.17)	(22,885.75)	(11,790.53)	2,994.66	14,712.02	21,160.97	26,366.98	27,755.01	27,755.01



Value per share

Particulars	Amount in INR Lakhs
Present Value of Explicit Period	25,291.20
Add: Present Value of Terminal Value	2,56,444.61
Add: Present Value of Tax Benefits	16,268.12
Add: Non-current Investments	-
Add: Value of Loans and Advances	-
Add: Cash Balance (including short-term investments)	13,142.52
Enterprise value	3,11,146.46
Less: Debt Payment Obligation	-
Value available to Equity Shareholders	3,11,146.46
Number of shares (In numbers)	5,58,719
Price per Equity Shares (in INR)	55,689.26

Number of Shares taken on a fully dilutive basis

S. No.	Instruments	No. of Instruments	Conversion Ratio	No. of instruments taken on dilutive basis
1.	Equity Shares of Rs. 10/- each, Fully Paid Up	3,32,833	NA	3,32,833
2.	Series A Non-Cumulative Compulsorily Convertible Preference Shares of Rs. 100/- each	1,88,905	1:1	1,88,905
3.	ESOPs	36,981	1:1	36,981
Total		5,58,719		5,58,719



Valuation Summary

The valuation has been carried out on the basis of methodology explained herein above having regard to the information base, management representation, key underlying assumptions and limitations as described therein the report.

Considering all of the above issues and fact that the business is intended to continue on going concern basis, the fair value of per equity share as on March 31, 2020 under DCF method, has been arrived at **INR 55,689.26**.

Thanking you,

Yours faithfully,


(Vardhman Doogar)

Registered Valuer No: IBBI/RV/06/2019/10802

ICAI Membership No:517347

UDIN: 20517347AAAAJK6446

Place: New Delhi

Date: 7th August, 2020