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# GTPL HATHWAY LIMITED

Our Company was incorporated on August 21, 2006 at Ahmedabad as 'Gujarat Tele Link Private Limited', as a private limited company under the Companies Act, 1956. Pursuant to a resolution of our Board of Directors dated April 12, 2013 and a resolution of our shareholders dated April 12, 2013, the name of our Company was changed to 'GTPL Hathway Private Limited' and a fresh certificate of incorporation consequent upon change of name was granted by the RoC on May 6, 2013. Our Company was converted into a public limited company pursuant to approval of the board at a board meeting held on August 23, 2016 and shareholders at an extraordinary general meeting held on August 26, 2016. Consequently, the name of our Company was changed to 'GTPL Hathway Limited' and a fresh certificate of incorporation consequent upon conversion to a public limited company was granted to our Company by the RoC on September 28, 2016. For details of changes in the name and registered office of our Company see 'History and Certain Corporate Matters' on page 185 of the Red Herring Prospectus dated June 9, 2017 (the 'RHP').

**Registered Office:** 202, Sahajanand Shopping Center, Opposite Swaminarayan Mandir, Shahibaug, Ahmedabad 380004, Gujarat, India. Tel: +91 79 2562 0340/41; Fax: +91 79 2562 6477. **Corporate Office:** 'GTPL HOUSE', Shree One Building, Opposite Armada, Sankhu Bhavan Road, Near Pakwan Cross Road, Bodakdev, Ahmedabad 380059, Gujarat, India. Tel: +91 79 6140 0000; Fax: +91 79 6140 0007. Contact Person: Mr. Tarun Kumar, Company Secretary and Compliance Officer; Tel: +91 79 6140 0002; Fax: +91 79 6140 0007; Email: complianceofficer@gtpl.net; Website: www.gtpl.net, Corporate Identity Number: U64204GJ2006PLC048908

## OUR PROMOTERS: MR. ANIRUDDHASINHJI JADEJA, MR. KANAKSINH RANA, GUJARAT DIGI COM PRIVATE LIMITED AND HATHWAY CABLE AND DATACOM LIMITED

INTEGRAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GTPL HATHWAY LIMITED (OUR "COMPANY") OR "ISSUER" FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE ("OFFER PRICE") AGGREGATING UP TO ₹ [•] MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [•] EQUITY SHARES AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) AGGREGATING UP TO ₹ 2,400 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 14,400,000 EQUITY SHARES AT A PRICE OF ₹ [•] PER EQUITY SHARE COMPRISING OF UP TO 1,136,000 EQUITY SHARES BY MR. ANIRUDDHASINHJI JADEJA, OUR PROMOTER, UP TO 440,000 EQUITY SHARES BY MR. KANAKSINH RANA, OUR PROMOTER, UP TO 5,480,000 EQUITY SHARES BY GUJARAT DIGI COM PRIVATE LIMITED, OUR PROMOTER, UP TO 7,200,000 EQUITY SHARES BY HATHWAY CABLE AND DATACOM LIMITED, OUR PROMOTER AND UP TO 144,000 EQUITY SHARES BY MR. AMIT SHAH, A SELLING SHAREHOLDER (COLLECTIVELY THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [•] MILLION ("OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [•] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Price Band: : ₹ 167 to ₹ 170 per Equity Share of face value of ₹ 10.00 each.

The Floor Price is 16.7 times the face value and the Cap Price is 17 times the face value. • Bids can be made for a minimum of 88 Equity Shares and in multiples of 88 Equity Shares thereafter.

### Risks to Investors:

- The 4 Merchant Bankers associated with the Offer have handled 16 public issues in the past three years out of which 4 issues closed below the issue price on listing date.\*
- The price/earnings ratio based on diluted EPS of ₹ 8.09 per equity share on consolidated basis and of ₹ 8.24 per equity share on standalone basis in Fiscal 2016 for the Issuer at the upper end of the Price band is as high as 21.01 on a consolidated basis and 20.63 on a standalone basis, respectively as compared to the price/earnings ratio of Ortel Communications Limited of 19.95 on standalone basis.#
- The average cost of acquisition of Equity Shares for our Selling Shareholders, namely, Mr. Aniruddhasinhji Jadeja is ₹ 0.48, Hathway Cable and Datacom Limited is ₹ 40.19, Gujarat Digi Com Private Limited is ₹ 65.09, Mr. Kanaksinh Rana is ₹ 0.48 and for Mr. Amit Shah is Nil.
- The weighted average return on net worth for Fiscals 2014, 2015 and 2016 based on IND (AS) Restated Standalone and Consolidated Financial Statements is 3.11% and 2.02% respectively.

\* Financial Years 2016-17, 2015-16 and 2014-15 have been considered as past 3 years.

# Based on financial statement prepared under Indian GAAP. For the other companies in the peer group, price to earning is Not Applicable as they have negative EPS for Fiscal 2016.

### BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders in consultation with BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 16.7 times the Floor Price and 17 times the Cap Price of the Price Band. Investors should also refer to "Our Business," "Risk Factors" and "Financial Statements" on pages 156, 17 and 306, respectively of the RHP, to have an informed view before making an investment decision.

**Qualitative Factors:** We believe the following business strengths allow us to successfully compete in the industry:

• One of the leading regional MSOs with significant market share in Gujarat and Kolkata • High quality infrastructure network • Balanced local and regional content offering to attract and retain subscribers • Strong traction on digitization • Successful track record of identifying, acquiring and integrating MSOs, ISOs and LCOs • Experienced Promoters and management team with proven execution track record backed by Hathway, one of India's leading MSOs.

For details, see "Our Business - Our Strengths" on page 157 of the RHP.

**Quantitative Factors:** The information presented below relating to our Company is based on the Additional Financial Information under Indian GAAP Restated Standalone Financial Statements and Ind (AS) Restated Standalone Financial Statements and the Ind (AS) Restated Consolidated Financial Statements prepared in accordance with Ind (AS) and the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations. For details, see "Financial Statements" and "Additional Financial Information under Indian GAAP" on pages 306 and 603 respectively of the RHP. Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

#### A. Earnings Per Share ("EPS"):

##### As per Indian GAAP

On a Standalone basis:

Financial Year / Period ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2014	3.69	1	3.69	1
March 31, 2015	2.11	2	2.11	2
March 31, 2016	8.24	3	8.24	3
Weighted Average	5.44		5.44	
December 31, 2016	3.51*		3.51*	

\* Not annualized

Note : 1. The above statement should be read with significant accounting policies and notes to the Indian GAAP on Restated Financial Statements 2. Earning per shares (EPS) calculation is in accordance with Accounting Standard 20 "Earnings per share" prescribed by the Companies (Accounting Standards) Rules, 2006. 3. The ratios have been computed as below: 4. Basic EPS = Net profit, as restated, attributable to equity shareholders / Weighted average number of shares outstanding during the year. 5. Diluted EPS (in ₹) = Net profit, after tax, as restated for the year, attributable to equity shareholders / Weighted average number of dilutive equity shares outstanding during the year. 6. Weighted average-Aggregate of year wise weighted EPS divided by the aggregate of weights i.e. (EPSx Weight) for each year/ Total of weights.

##### As per Ind (AS)

On a Standalone basis:

Financial Year / Period ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2014	(0.38)	1	(0.38)	1
March 31, 2015	1.67	2	1.67	2
March 31, 2016	1.41	3	1.41	3
Weighted Average	1.20		1.20	
December 31, 2016	2.11*		2.11*	

\* Not annualized

- The above statement should be read with significant accounting policies and notes to the Ind (AS) on Restated Financial Statements
- Earning per shares (EPS) calculation is in accordance with Ind (AS) 33 "Earnings per share" prescribed by the Companies (Indian Accounting Standards) Rules, 2015.
- The ratios have been computed as below: Basic EPS = Net profit, as restated, attributable to equity shareholders / Weighted average number of shares outstanding during the year.
- Diluted EPS (in ₹) = Net profit, after tax, as restated for the year, attributable to equity shareholders / Weighted average number of dilutive equity shares outstanding during the year.
- Weighted average-Aggregate of year wise weighted EPS divided by the aggregate of weights i.e. (EPSx Weight) for each year/ Total of weights.
- Price/Earning ("P/E") ratio in relation to Price Band of ₹ 167 to ₹ 170 per Equity Share:

As per Indian GAAP:

Particulars	P/E (Standalone)		P/E (Consolidated)	
	P/E at the Floor Price	P/E at the Cap Price	P/E at the Floor Price	P/E at the Cap Price
P/E based on basic EPS for the year ended March 31, 2016	20.27	20.63	20.64	21.01
P/E based on diluted EPS for the year ended March 31, 2016	20.27	20.63	20.64	21.01

As per Ind (AS):

Particulars	P/E (Standalone)		P/E (Consolidated)	
	P/E at the Floor Price	P/E at the Cap Price	P/E at the Floor Price	P/E at the Cap Price
P/E based on basic EPS for the year ended March 31, 2016	118.44	120.57	228.77	232.88
P/E based on diluted EPS for the year ended March 31, 2016	118.44	120.57	228.77	232.88

C. Industry P/E Ratio:

Highest: 19.95 Lowest: 19.95 Average: 19.95

Source: For Industry P/E Ratio, P/E Ratio for the peers are computed based on closing market price as on May 30, 2017 divided by diluted EPS based on the annual reports of such companies for the Fiscal 2016. Industry average is average of P/E Ratio of peers.

Note:

Please see note 9 under paragraph G herein below to refer to the Industry P/E Ratios for the peers which have announced their financial results for Fiscal 2017.

D. Return on Net Worth ("RoNW")

As per the Indian GAAP Restated Standalone Financial Statements:

Fiscal Year / Period ended	RoNW (%)	Weight
March 31, 2014	8.45	1
March 31, 2015	5.19	2
March 31, 2016	15.10	3
Weighted Average	10.69	
December 31, 2016	6.90*	

\* Not annualized

As per the Indian GAAP Consolidated Restated Financial Statements:

Fiscal Year / Period ended	RoNW (%)	Weight
March 31, 2014	7.56	1
March 31, 2015	5.02	2
March 31, 2016	14.87	3
Weighted Average	10.37	
December 31, 2016	8.50*	

\* Not annualized

Note: The above statement should be read with significant accounting policies and notes to the Indian GAAP Restated Financial Statements. Return on net worth (%) = Net profit after tax, as restated for the year attributable to equity shareholders / Net worth including Share Capital and Reserves and surplus, as restated, at the end of the year

As per the Ind (AS) Restated Standalone Financial Statements

Fiscal Year / Period ended	RoNW (%)	Weight
March 31, 2014	(1.00)%	1
March 31, 2015	4.81%	2
March 31, 2016	3.35%	3
Weighted Average	3.11%	
December 31, 2016	5.46%*	

\* Not annualized

As per the Ind (AS) Consolidated Restated Financial Statements

Fiscal Year / Period ended	RoNW (%)	Weight
March 31, 2014	(2.05)%	1
March 31, 2015	4.41%	2
March 31, 2016	1.79%	3
Weighted Average	2.02%	
December 31, 2016	5.72%*	

\* Not annualized

E. Minimum Return on Increased Net Worth after Offer As per the Indian GAAP

Particulars	Minimum RoNW (%) at the Floor Price	Minimum RoNW (%) at the Cap Price
To maintain pre-Offer Basic EPS of ₹ 8.24 for the year ended March 31, 2016	13.16%	13.13%
To maintain pre-Offer Diluted EPS of ₹ 8.24 for the year ended March 31, 2016	13.16%	13.13%

For further details, see "Basis for Offer Price" beginning on page 124 of the RHP

BID/  
OFFER

## OPENS ON WEDNESDAY, JUNE 21, 2017<sup>(1)</sup> | CLOSING ON FRIDAY, JUNE 23, 2017

<sup>(1)</sup> Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date i.e. June 20, 2017.

## ASBA\* | Simple, Safe, Smart way of Application

\*Application supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details, check section on ASBA below.

**Mandatory in public issues from January 1, 2016. No cheque will be accepted.**

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Self Certified Syndicate Banks ("SCSBs"), the Registered Brokers, Registrar and Share Transfer Agents ("RTAs") and Collecting Depository Participants ("CDPs").

In terms of Rule 19(2)(b)(ii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), this is an Offer for at least such percentage of the post-Offer paid-up Equity Share capital of our Company which will be equivalent to ₹ 40,000 million calculated at the Offer Price and the post-Offer capital of our Company calculated at the Offer Price is more than ₹ 16,000 million but less than ₹ 40,000 million. The Offer is being made through the Book Building Process in compliance with regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), wherein not more than 50% of the Offer shall be allocated on a proportionate basis to qualified institutional buyers ("QIBs"). Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors ("Anchor Investor Portion") on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only subject to valid Bids being received from domestic Mutual Funds, subject to valid Bids being received at or above Offer Price. Such number of Equity Shares representing 5% of the Net QIB Portion (defined herein below) shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Investors (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("ASBA") process, and shall provide details of their respective bank account in which the Bid amount will be blocked by the Self Certified Syndicate Banks ("SCSBs"). For further details, see "Offer and Application" on page 800 of the RHP.

Bidder/Applicant should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidder/Applicant is advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidder/Applicant's sole risk. Bidder/Applicant should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidder/Applicant should ensure that the beneficiary account provided in the Bid cum Application Form is active.

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