



ITI LIMITED

Axis Capital

IPO NOTE

Issue highlights

- Incorporated on January 25, 1950, ITI Limited ("ITI") is a public sector company under the Department of Telecommunications ("DoT") with 7 decades of experience in telecommunications technology. ITI caters to a wide customer base across various industry segments like Telecommunications, Defence, Information Technology, Banks, Financial Institutions and Solar Energy.
- ITI has a diverse suite of products including defence security encryption products; optical and data network products and passive infrastructure products such as gigabit passive optical network ("GPON") and managed leased line products ("MLLN"); multi-capacity encryption units, electrical products such as smart energy meters, smart cards, solar panels, set-top boxes and mini personal computers and Internet of Things ("IoT") products.
- It also provides a wide range of services including operation and maintenance of base transceiver stations ("BTS"), data centre hosting solutions, IT and software services like digital wallet solutions, Aadhaar authentication services, optical fibre cable laying services and citizen centric services like the National Population Register ("NPR") and Socio Economic and Caste Census ("SECC") and annual maintenance contracts ("AMC") for supplied products.
- ITI's diverse products, services and solutions portfolio has helped them forge relationships with its customers including Public Sector Units ("PSUs") like Bharat Sanchar Nigam Limited ("BSNL"), Mahanagar Telephone Nigam Limited ("MTNL"), Energy Efficiency Services Limited ("EESL"), Bharat Broadband Network Limited ("BBNL"); the Ministry of Defence ("MoD"), the Ministry of Rural Development ("MORD"), the Registrar General of India and certain other Government agencies.
- ITI is engaged in Government of India ("GoI") projects of national importance including: **ASCON, BharatNet, Network for Spectrum, Smart Energy Meters, Space Programs and E-Governance Projects.**
- As at December 31, 2019, the Order Book was ₹11,051.12 crore (including advance purchase orders but net of GST), of which 29.09% comprises large turnkey projects, 57.87% comprises AMCs and 13.05% comprises other product and services orders.

Brief Financial Details*

(₹ In Cr)

Particulars	As at Sep'30,		As at March 31,	
	2019(6)	2019(12)	2018(12)	2017(12)
Equity Share Capital	897.00	897.00	760.00	560.00
Reserves [^]	(1,028.11)	(1,398.52)	(1,433.97)	(1,808.58)
Net worth as stated	(131.11)	(501.52)	(673.97)	(1,248.58)
Long Term Borrowings	240.00	300.00	300.00	300.00
Short Term Borrowings	957.71	958.71	926.32	879.17
Revenue from Operations	578.78	1,668.37	1,484.16	1,548.14
Revenue Growth (%)	-	12.41%	(4.13)%	-
Profit Before Tax	(54.40)	92.54	230.56	266.39
Net Profit/Loss for the year	(54.40)	92.54	230.56	266.39
Profit/Loss as % to Revenue	(9.40)%	5.55%	15.53%	17.21%
EPS (₹)	(0.65)	0.97	3.18	6.72
NAV (₹) [^]	(1.46)	(5.59)	(8.87)	(22.30)

Source: RHP, * Restated Consolidated, [^] without Revaluation reserve

Issue Details

Fresh Issue of 181,800,000 Equity shares

Issue highlights

Issue size: ₹ 1308.96 Cr – 1399.86 Cr

No. of shares: 181,800,000 Equity Shares

Face value: ₹ 10

Employee Reservation : 1,800,000 Equity Shares

Issue summary

Price band: ₹ 72 - 77

Bid Lot: 150 Shares and in multiple thereof

Post Issue Implied Market Cap:

₹ 7,767 Cr – 8,307 Cr

BRLMs: BOB Capital, Karvy Investor

Services, PNB Investment Services

Registrar: KFin Technologies Pvt. Ltd.

Issue opens on: Friday, 24th Jan' 2020

Issue closes on: Tuesday, 28th Jan' 2020

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	31-01-2020
Refunds/Unblocking ASBA Fund	03-02-2020
Credit of equity shares to DP A/c	04-02-2020
Trading commences	05-02-2020

Listing: BSE and NSE

Issue break-up

Cat	No. of Shares	₹ In Cr	% of Issue
QIB	135,000,000	972.00 – 1,039.50	75%
NIB	27,000,000	194.40 – 207.90	15%
Retail	18,000,000	129.60 – 138.60	10%
Emp	1,800,000	12.96 – 13.86	-
Total	181,800,000	1308.96 – 1399.86	100%

Shareholding (No. of Shares)

	Pre issue	Post issue
No of shares	897,000,000	1,078,800,000

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters & Promoters Gr	90.00%	74.83%
Public	10.00%	25.17%
Total	100.00%	100.00%

BACKGROUND

The company was incorporated as “Indian Telephone Industries Pvt. Ltd.” as a PSU on January 25, 1950 at Bengaluru. It became a deemed public limited company with effect from July 1, 1975. It is under the administration of the DoT under the Ministry of Communications. It has one joint venture, India Satcom Ltd, in which it owns 49.06% of its outstanding equity share capital as on date. The Government of India (“GoI”) currently owns 89.97% of the Company’s outstanding share capital.

Rakesh Mohan Agarwal is the Chairman and Managing Director of the company. He has been a Director of the company since June 8, 2016. He has over 28 years of experience in the field of policy formulation, standardization planning, operation and maintenance of telecom services, and was previously the Government Nominee Director of the company.

Chittaranjan Pradhan is the Director (Finance) of the company. He has been a Director of the company since December 11, 2017. He has served over 20 years in the Indian P&T Accounts and Finance Service, GoI.

Shashi Prakash Gupta is the Director (Human Resources) of the company. He has been a Director of the company since October 15, 2018. He has previously worked with the Steel Authority of India Limited for over 33 years in various management roles.

D. Venkateswarlu is the Director (Production) of the company. He has been a Director of the company since November 7, 2019. He has been working with the company since 1985.

Rajesh Sharma is the Government Director, Nominee (Non-Executive) of the company. He has been the Director of the company since August 14, 2018. He has been working with the Department of Telecommunications, Ministry of Communications for the last 28 years.

Lt. General Rajeev Sabherwal is the Government Director, Nominee (Non-Executive) of the company. He has been a Director of the company since April 12, 2019.

Asha Kumari Jaswal, Dr. K. R. Shanmugam, Dr. Akhilesh Charan Dube, Mayank Gupta and Rajen Vidyarthi are the Non-Official, Independent Director (Non-Executive) of the company.

Rajeev Srivastava is the Chief Financial Officer of the company and **S. Shanmuga Priya** is the Company Secretary and Compliance Officer of the company.

BUSINESS OVERVIEW

ITI Limited (“ITI”) is a public sector company under the Department of Telecommunications (“DoT”) with 7 decades of experience in telecommunications technology. It caters to a wide customer base across various industry segments like Telecommunications, Defence, Information Technology, Banks, Financial Institutions and Solar Energy. IT has a diverse suite of products including defence security encryption products; optical and data network products and passive infrastructure products such as Gigabit Passive Optical Network (“GPON”) and Manage Leased Line Products (“MLLN”); multi-capacity encryption units, electrical products such as smart energy meters, smart cards, solar panels, set-top boxes and mini personal computers and Internet of Things (“IoT”) products. ITI manufactures certain products themselves at its 5 manufacturing facilities and produce other products in collaboration with its various technology partners. It also purchases traded products that are installed as part of their projects. In addition, ITI provides a wide range of services including operation and maintenance of Base Transceiver Stations (“BTS”), data centre hosting solutions, IT and software services like digital wallet solutions, Aadhaar authentication services, optical fibre cable laying services and citizen centric services like the National Population Register (“NPR”) and Socio Economic and Caste Census (“SECC”) and Annual Maintenance Contracts (“AMC”) for supplied products.

ITI’s diverse products, services and solutions portfolio has helped them forge relationships with its customers including Public Sector Units (“PSUs”) like Bharat Sanchar Nigam Limited (“**BSNL**”), Mahanagar Telephone Nigam Limited (“**MTNL**”), Energy Efficiency Services Limited (“**EESL**”), Bharat Broadband Network Limited (“**BBNL**”); the Ministry of Defence (“**MoD**”), the Ministry of Rural Development (“**MORD**”), the Registrar General of India and certain other Government agencies.

ITI is engaged in Government of India (“Gol”) projects of national importance including:

- **ASCON:** Providing maintenance services for the Army Static Switched Communication Network (“ASCON”) in its first 3 phases, which they had earlier installed for the MoD;
- **BharatNet:** Manufacturing, supplying and installing GPON technology equipment for the Gol’s flagship project “BharatNet”, which aims to provide high-speed broadband connectivity to over 250,000 Gram Panchayats in India. They are also providing 54,000 kms of OFC and broadband connectivity to approximately 25,500 Gram Panchayats under the BharatNet Phase II project in Maharashtra state (under the MahaNet project) and in Gujarat state (under the GujaratNet project). They also has awarded the orders in Rajasthan (under the Rajnet project) and West Bengal (under the WBNet project) under the BharatNet Phase II project;;
- **Network for Spectrum:** Laying optical fiber cable under the Network for Spectrum (“NFS”) project for the Indian defence forces in the Eastern and North-Eastern regions with BSNL;
- **Smart Energy Meters:** Manufacturing and supplying 2.5 million smart energy meters for EESL;
- **Space Programs:** Providing manufacturing and component screening services to the Indian space program; and
- **E-Governance Projects:** Manufacturing and supplying products and services for e-Governance projects like the NPR, the SECC project, and Aadhaar authentication services.

ITI contributes to a number of campaigns and policy initiatives sponsored by the Gol including “Make in India”, to encourage various companies to manufacture their products in India; “Digital India” to ensure that Gol’s services are made available to citizens electronically; Pradhan Mantri Kaushal Vikas Yojana (“PMKVY”) under Skill India Program to develop and standardize skills among India’s workforce and “Swachh Bharat” to improve the cleanliness and hygiene in public places. In addition, it benefits from the Gol’s Preferential Market Access policy where indigenous manufacturers are given preference in procurement by Government agencies.

Their first plant for manufacturing was set up in Bengaluru in 1948. It has manufacturing facilities in Bengaluru, Mankapur, Naini, Palakkad and Raebareli and a research and development (“R&D”) centre in Bengaluru. They have used grants for capital expenditure from the Gol to modernize their manufacturing infrastructure and to develop its capabilities to manufacture a diverse range of information and communication products, defence security encryption products and electronic products. In addition, ITI has 8 regional offices in India that are located in Bengaluru, Bhubaneswar, Chennai, Hyderabad, Kolkata, Lucknow, Mumbai and New Delhi along with 16 area offices across the country. It also has a network system unit headquartered in Bengaluru that executes turnkey projects for installation and commissioning of telecommunication networks. As at December 31, 2019, it had 3,520 employees which include over 731 employees with technical and professional qualifications.

ITI has entered into transfer of technology agreements and teaming agreements to provide them with access to new technology and products to expand its offering to customers, as well as to drive its efforts towards innovation. ITI enter these agreements in the ordinary course of its business. They have technology transfer agreements with various technology and telecommunications companies for certain technology and products including MLLN and Optical Transport Network (“OTN”) equipment, telecommunication and IT products like GPON, Wi-Fi, terabit routers and fixed line and GSM technology. Its teaming partners, with whom they are working together to offer new products and services, include Centre for Development of Telematics for GPON products, Coriant OY for Managed Leased Line Network products, Z-Com, Taiwan, for Wi-Fi products, Inesh for Smart Energy meters, Shreenath Smart Technologies Pvt Ltd for Aadhaar Authentication services, Centre for Development of Advanced Computing (“CDAC”) for IoT solutions and Trimax Data Centre Services Private Ltd for data centre services.

The consolidated revenues from operations in Fiscal 2019, Fiscal 2018 and Fiscal 2017 were ₹1,668.37 crore, ₹1,484.16 crore and ₹1,548.14 crore, respectively. The consolidated revenues from operations for the 6months ended September 30, 2019 were ₹578.78 crore.

The company made consolidated operating losses (not including Gol grants included in other income) in Fiscal 2017 of ₹94.32 crore. In the Fiscal 2019 and 2018, the consolidated operating profit (not including Gol grants included in other income) of ₹92.54 crore and ₹97.58 crore, respectively. In the 6 months ended September 30, 2019, it made a consolidated operating loss (not including Gol grants included in other income) of ₹54.40 crore.

In addition, after Gol grants, it made a consolidated profit in Fiscal 2019, Fiscal 2018 and Fiscal 2017 of ₹92.54 crore, ₹230.56 crore and ₹266.39 crore, respectively.

As at December 31, 2019, the Order Book was ₹11,051.12 crore (including advance purchase orders but net of GST), of which 29.09% comprises large turnkey projects, 57.87% comprises AMCs and 13.05% comprises other product and services orders. The Order Book includes anticipated revenues from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions to entry into force has been met and letters of acceptance issued by the customer prior to execution of the final contract, and advance purchase orders/ advance work orders for which they are yet to receive final purchase orders/ work order).

In addition to the Order Book, they were selected as the lowest bidder (L-1) by the MoD on the ASCON Phase IV Project. The subject proposal regarding establishment of ASCON Phase IV Project was under consideration and final approval of the competent authority was being sought, and the bid offer, which valid up to October 30, 2019, may be extended by 6 months up to April 30, 2020 and sought response from ITI regarding the same. Further, pursuant to a letter dated October 9, 2019, the company responded to the MoD and has extended the validity of the bid until April 30, 2020.

ITI is currently awaiting further communications from the MoD in this regard. ASCON, Phase IV, is a project that entails the establishment of an optical fiber network for the Indian army, including the supply, installation, and maintenance of the optical fiber network and telecom equipment, mobile terminals, microwave towers, power supply equipment, test instruments and infrastructure. The value of this project is approximately ₹7,700 crore. The project is to be executed over a period of 3 years from the date of contract signing followed by 2 years of warranty support and 8 years of AMC support.

COMPANY PRODUCTS AND BRAND OVERVIEW

The Company continues to evolve from a telecommunications equipment manufacturer to a telecommunications technology company. ITI cater to a wide customer base across various industry segments like defence, telecommunications, information technology, banks, financial institutions and solar energy.

The company offers a diverse suite of products and services including:

- Defence encryption products and services;
- MLLN and STP solutions;
- Transmission and terminal end products and solutions;
- Optical and data network products and services like GPON technology and passive infrastructure products for telecommunications including OFC and HDPE pipes;
- IT products and services including hosting solutions and data centre as well as financial and banking software services including Aadhaar authentication, and digital wallet services;
- Electronics and digital products like smart energy meters, smart cards, solar panels, set-top boxes, mini personal computers, 3D printing, security surveillance products and radio modems;
- High reliability electronic contract manufacturing services;
- IoT related products and solutions; and
- Annual maintenance contracts for defence and telecommunications networks.

ORDER BOOK

The summarize Order Book as at December 31, 2019

(₹ In Cr)

Project/ Product	Outstanding as at December 31, 2019	Percentage of Total Order Book
BTS operation and maintenance project*	5,621.66	50.87%
MahaNet	1,988.96	18.00%
ROs/CCOs/IT/ITI/Misc. products	1,046.19	9.47%
Smart Energy Meters	658.18	5.96%
GujaratNet	535.87	4.85%
Rajnet	283.60	2.57%
WBNet	197.82	1.79%
Network for Spectrum Project	166.49	1.51%
GPON	155.04	1.40%
GSM SZ AMC	66.80	0.60%
Defence business / AMC	80.96	0.73%
HDPE Duct	53.83	0.49%
AMC for ASCON	50.80	0.46%
AMC for OCB	3.83	0.03%
MLLN/SSTP AMC	1.70	0.02%
Others	139.40	1.26%
Total	11,051.12	100.00%

* includes advances

COMPETITIVE STRENGTHS

- **Diverse product and services offering across sectors**

ITI continues to evolve from a telecommunications equipment manufacturer to a telecommunications technology company. It caters to a wide customer base across various industry segments like telecommunications, defence, information technology, banks and financial institutions and solar energy. They have a diverse suite of products including defence security encryption products; optical and data network products and passive infrastructure products such as GPON, Wi-Fi products, and MLLN and signalling transfer point (“STP”) solutions; multi-capacity encryption units, electrical products such as smart energy meters, smart cards, solar panels, set-top boxes and mini personal computers and Internet of Things (“IoT”) products and other diverse products such as HDPE ducts, 3D printing and sanitary napkin vending machines.

In addition, it also provide a wide range of services including IT and software services like data centre hosting solutions, digital wallet solutions, Aadhaar authentication services, cable and fiber laying services and citizen centric services like the NPR and SECC and annual maintenance contracts for its supplied products. ITI manufactures certain products in collaboration with its various technology partners and certain products are only supplied and installed by them. Their business model, which focuses on collaborations with third parties for technology, research and development, as well as utilizing its large and modernized manufacturing capabilities enables them to provide comprehensive and integrated products and service offerings to its customers across sectors thereby de-risking the business model.

- **Well established relationship with certain PSUs, the Ministry of Defence and other Government agencies**

ITI’s diverse products, services and solutions portfolio has helped ITI forge relationships with its customers including PSUs like BSNL, BBNL, MTNL and EESL the Ministry of Defence, Ministry of Rural Development, Ministry of Urban development, the Registrar General of India and other Government agencies.

ITI has a history of high customer retention from its customers and derive a significant proportion of its revenues from repeat business built on its successful execution of prior engagements. They have supplied MLLN equipment to BSNL since 2001 and MTNL since 2002 and have designed, supplied, installed and maintained all the first three phases of ASCON for the Ministry of Defence. ITI also benefits from the Gol’s preferential market access policy under which indigenous manufacturers are given preference in procurement by Government agencies, including PSUs.

- **Strong order book comprising of a diversified suite of products and services across various sectors**

As at December 31, 2019, ITI’s Order Book was ₹11,051.12 crore, of which 29.09% comprises large turnkey projects, 57.87% comprises AMCs and 13.05% comprises other product and services orders.

The Order Book as at December 31, 2019 by different types of customers:

(₹ In Cr)

Project/ Product	Outstanding as at December 31, 2019	Percentage of Total Order Book
PSU Customers	7,283.00	65.90%
Ministry of Defence	59.59	0.54%
Other Gol agencies	333.78	3.02%
State Governments	3,287.20	29.75%
Other Customers	87.55	0.79%
Total	11,051.12	100.00%

- **Modern manufacturing infrastructure, equipment and technology**

ITI has manufacturing facilities in Bengaluru, Mankapur, Naini, Palakkad and Raebareli and a R&D centre in Bengaluru. They have upgraded and continue to modernize, its manufacturing facilities, infrastructure, machines, equipment and technology to allow them to offer a diverse product suite, reduce operating costs and drive productivity. The capital expenditure was ₹127.82 crore, ₹189.55 crore and ₹76.08 crore in each of Fiscal 2019, Fiscal 2018 and Fiscal 2017, respectively. The capital expenditure was ₹48.94 crore for the 6 months ended September 30, 2019. ITI has added manufacturing capability of GPON products including optical line terminals (“OLTs”) and optical network terminals (“ONTs”), OFC and a high-density polyethylene (“HDPE”) manufacturing line to its Raebareli facilities. It also has established HDPE duct manufacturing lines at its Palakkad unit. In addition, the

electronic manufacturing facilities in Bengaluru, Raebareli, Palakkad and Mankapur plants have been upgraded to manufacture a diverse suite of products including other optical and data network products, defence security encryption products, IoT products as well as other products like smart energy meters, smart cards, solar panels, set-top boxes, mini personal computers, 3D printing, security surveillance products, radio modems and other allied products

- ***Revitalized Company with improving financial performance***

As part of the revival plan approved by the CCEA, the GoI approved grants in aid to settle part of statutory dues and to meet its operational requirements and grants for capital expenditure for upgrading its infrastructure, machines and equipment. In Fiscal 2019, Fiscal 2018 and Fiscal 2017, ITI received grants in aid of ₹ Nil, ₹132.98 crore and ₹500 crore respectively. In Fiscal 2019, Fiscal 2018 and Fiscal 2017, it received capital grants in the form of equity for capital expenditure of ₹55 crore, ₹337 crore and ₹80 crore, respectively. During 6 months ended September 30, 2019, it received a further grant from the GoI of ₹105 crore for capital expenditure. On December 31, 2019, the GoI allocated a further ₹85.40 crore as a grant in aid to the company (funds not yet received) to settle partial statutory dues and to meet its operational requirements.

ITI has been transformed from telecommunications equipment manufacturer to telecommunications technology company catering to diverse industry segments. Its strategy of diversification has helped to improve its financial performance.

- ***Experienced Board, management team and skilled workforce***

The company management team is well qualified and experienced in the industry. The combination of the experienced Board and their experienced management team is a key to revitalizing its business and would enable them to capitalize on further growth opportunities.

As at December 31, 2019, ITI had 3,520 employees, including more than 731 employees with technical and professional qualifications. Most of its employees, particularly senior management, have worked with ITI for over 2 decades.

KEY BUSINESS STRATEGIES

- ***Continuously diversify the suite of product and services and leverage the relationships with the GoI and PSUs***

ITI has been developing and introducing new products in collaboration with its technology partners including optical and data network products, defence security encryption products, IoT products as well as other diversified products like smart energy meters, smart cards, solar panels, set-top boxes, mini personal computers, HDPE duct, optical fiber and other communication and electronic products. In addition, it offers a range of services including fiber laying services, data centre hosting solutions, annual maintenance contracts (post completion of their projects), contract manufacturing services and IT and software services like Aadhaar authentications and digital wallet offerings. **ITI is one of the 3 agencies appointed by the GoI for the citizen centric projects of the NPR for collecting data based on guidelines similar to that of Unique Identification Authority of India for Aadhaar data collection and SECC project to collect economic and caste-based data of Indian citizens.**

ITI plans to continuously upgrade and invest in its technology, through the acquisition of technology from strategic partners with a specific focus on high growth industry segments. Accordingly, they intend to continue to develop products and services with applications targeting customers across sectors such as telecommunications, defence, information technology, banks, financial institutions and solar energy.

ITI is currently implementing numerous GoI projects and intend to continue to leverage their relationships with PSUs, the Ministry of Defence, and other Government agencies to win large tenders and contracts. The large projects allow them to benefit from economies of scale, to develop relationships with technology partners and to drive revenue growth. In addition, they intend to leverage a new PSU synergy initiative by the DoT to utilize strengths of each PSU and for transfer of technology. In order to market its business, it holds regular interactions with stakeholders by way of conducting conferences.

- ***Augment the manufacturing capabilities by upgrading and modernizing the infrastructure and technology***

ITI is upgrading its manufacturing facilities, infrastructure, machines, equipment, technology and employee skill sets that has allowed them to enhance its product offerings, reduce operating costs and drive productivity. In Fiscal 2019, Fiscal 2018 and Fiscal 2017, ITI received capital grants in the form of equity for capital expenditure of ₹55 crore, ₹337 crore and ₹80 crore, respectively. They have utilized these grants to modernize its manufacturing infrastructure and to develop and diversify its product lines. During 6 months ended September 30, 2019, ITI received a further grant from the GoI of ₹105 crore for capital expenditure.

Its capital expenditure plans include the following:

- **Upgrading** of the electronic and mechanical manufacturing facility;
 - **Expanding** the data centre operations by building a Tier 3 plus data centre with 1,000 racks space at Bengaluru;
 - **Setting up** the radio modem and smart energy meter manufacturing facility;
 - **Building** electromagnetic compatibility and interference (EMC and EMI) chambers for testing telecommunication and defence products;
 - **Expanding** the defence encryption products and solutions capabilities;
 - **Setting up** a solar panel manufacturing facility in the Naini plant with 18MW capacity;
 - **Expanding** smart card manufacturing; and
 - **Expanding** the OFC and HDPE duct manufacturing;
 - **Setting up** a manufacturing facility for Wi-Fi products;
 - **Setting up** 3D printing facilities;
 - **Setting up** a manufacturing facility for manufacturing of Smaash PC's and set top boxes;
 - **Setting up** a manufacturing facility for component screening projects; and
 - **Setting up** a manufacturing facility for SMPS manufacturing.
- **Teaming with innovative technology leaders and start-ups**

ITI intends to continue executing teaming agreements, memoranda of understanding and technology transfer agreements with synergistic technology and telecommunications companies as well as start-ups to provide them with access to new technology and products to expand their offering to customers as well as to drive its efforts toward innovation. ITI has technology transfer agreements (under which it pays a royalty and other fees) with various technology and telecommunications companies for certain technology and products including MLLN and optical transport network ("OTN") equipment, telecommunication and IT products like GPON, Wi-Fi, terabit routers and fixed line and GSM technology.

Its teaming partners, with whom they are working together to offer new products and services, include Centre for Development of Telematics for GPON products, Coriant OY for Managed Leased Line Network products, Z-Com, Taiwan, for Wi-Fi products, Inesh for Smart Energy meters, Shreenath Smart Technologies Pvt Ltd for Aadhaar Authentication services, CDAC for IoT solutions and Trimax Data Centre Services Pvt. Ltd. for data centre services.

They intend to continue to build relationships across the communication and technology eco-system with institutions including system integrators, software and hardware companies and network service companies. This knowledge of both products and the entire product development ethos helps them to evolve a product and service development culture that is aligned with its customer requirements, employees and processes. In addition, they expect to continue to cultivate a cooperative research and development culture with its customers, technology partners and employees.

- **Reduce the operating costs, increase operational efficiencies and improve productivity**

In order to improve the margins and profitability, ITI endeavor to continue to rationalize its costs. The company management strives to place a great emphasis on cost control and improving operating efficiencies, especially in light of upgrading of the infrastructure, equipment and technology and its expanded product suite. They intend to drive cost savings by teaming with technology partners through subcontracting and outsourcing. Furthermore, they intend to monetize its land and property by finding additional and alternative uses.

OBJECTS OF THE ISSUE

Objects	(₹ In Cr)
Objects	Amount
Funding working capital requirements of the company	642.48
Repayment of loans of the company	607.29
General Corporate Purposes	[•]
Total	[•]

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