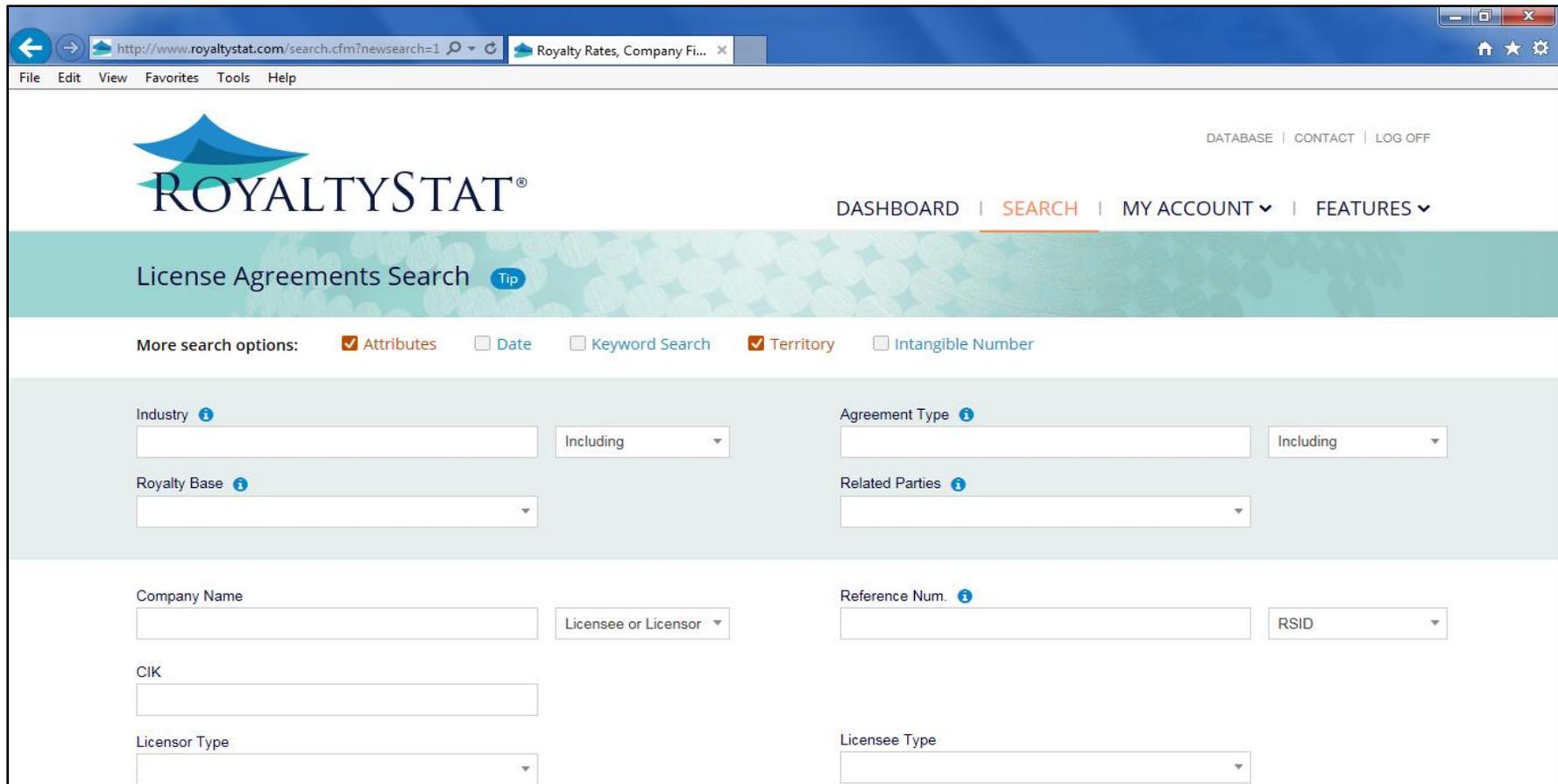


## Steps to be carried out in RoyaltyStat

We can choose from the various search options available to populate a list of potential comparable agreements. Once the relevant search options are selected, a list of potential comparable agreements will get generated. This list will have a basic description of the agreements. If required copy of the agreements can be downloaded for further analysis.



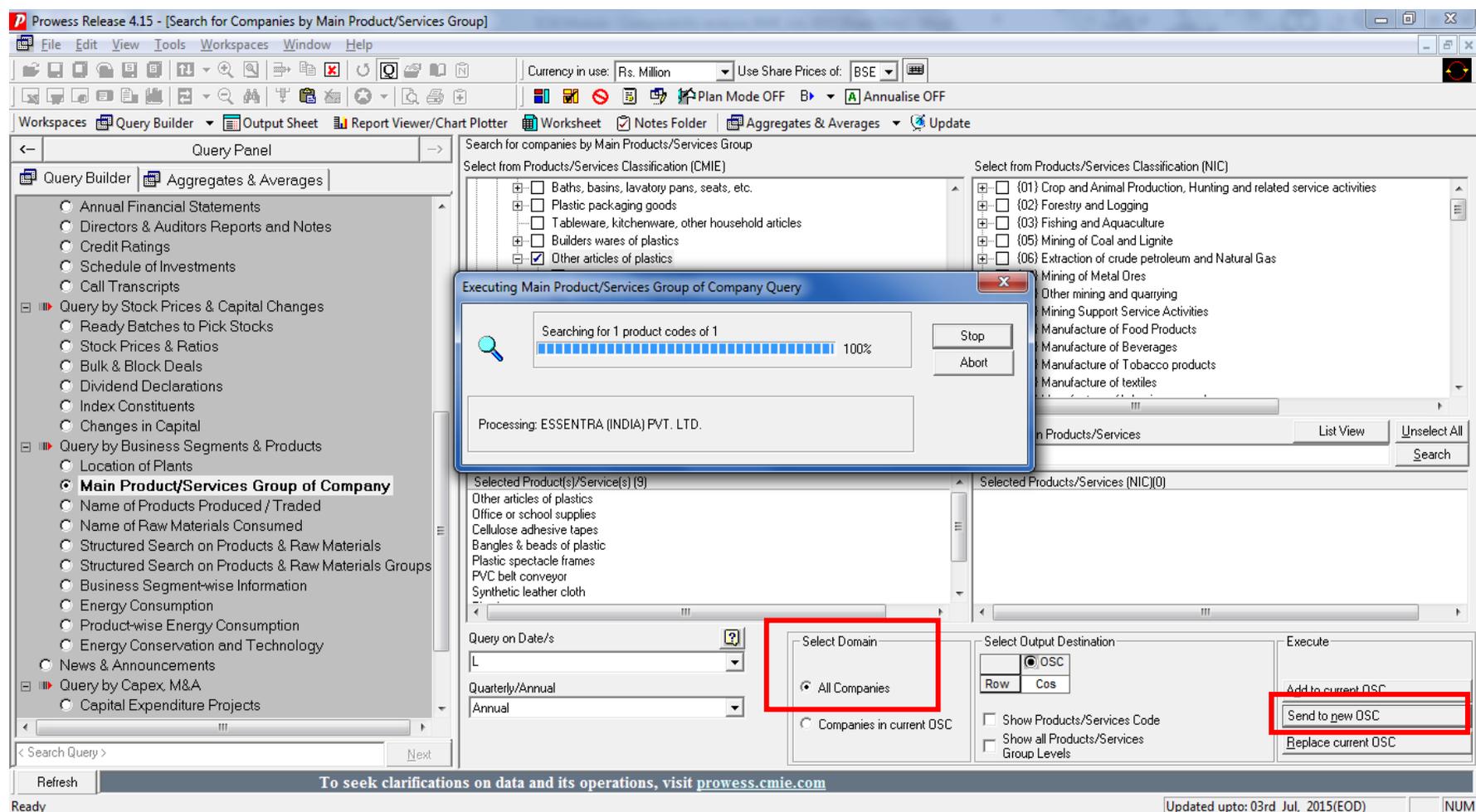
The screenshot shows the RoyaltyStat website's search interface. The browser address bar displays the URL <http://www.royalystat.com/search.cfm?newsearch=1>. The page features the RoyaltyStat logo and navigation links for DATABASE, CONTACT, LOG OFF, DASHBOARD, SEARCH, MY ACCOUNT, and FEATURES. The main heading is "License Agreements Search" with a "Tip" icon. Below this, there are search filters: "More search options:" with checkboxes for Attributes (checked), Date, Keyword Search, Territory (checked), and Intangible Number. The search form includes several input fields and dropdown menus: Industry (with an info icon), Agreement Type (with an info icon), Royalty Base (with an info icon), Related Parties (with an info icon), Company Name, Reference Num. (with an info icon), CIK, Licensor Type, and Licensee Type. Each field has a corresponding dropdown menu for search criteria like "Including" or "Licensee or Licensor".

## Steps to be carried out in Prowess database

**Step 1:** Based on an analysis of the international transactions, certain keywords closest to the activities of the international transaction are selected. Accordingly, a search for broadly comparable companies can be conducted using the Query by Products section of Prowess and NIC codes, and under the following heads:

The screenshot displays the Prowess Release 4.15 interface. The left-hand menu is expanded to 'Query by Business Segments & Products', where 'Main Product/Services Group of Company' is selected and highlighted with a red box. The main window shows search criteria for CMIE and NIC codes. The bottom status bar contains the text 'To seek clarifications on data and its operations, visit [prowess.cmie.com](http://prowess.cmie.com)' and 'Updated upto: 03rd Jul, 2015(EOD)', both of which are highlighted with red boxes.

Once the keywords are selected, the companies selected under the search criteria should be saved so that they can be retrieved at a later time as required. In order to do this, companies selected under the keywords must first be transferred to an output sheet as shown below:



Prowess Release 4.15 - [Output Sheet of Companies]

File Edit View Chart Tools Workspaces Window Help

Currency in use: Rs. Crore Use Share Prices of: BSE Plan Mode OFF Annualise OFF

Output Sheet Report Viewer/Chart Plotter Worksheet Notes Folder Aggregates & Averages Update

Sheet3 Sheet4 Sheet5

Indices = 44

	1	2	3	4
	L	L	L	L
	Date	Main Products/Services Group	NIC Code	NIC Name
	3/31/2014	Other security electronic equipment	27900	Manufacture of other electrical equipment
	3/31/2006	Other articles of plastics, nec	22209	Manufacture of other plastics products n.e.c.
	3/31/2011	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2013	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2014	Printing and allied activities nec	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2010	Other articles of plastics, nec	22209	Manufacture of other plastics products n.e.c.
	3/31/2000	Other articles of plastics	22209	Manufacture of other plastics products n.e.c.
	3/31/2012	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
Technologies Pvt. Ltd.	3/31/2004	Security electronics equipment	27900	Manufacture of other electrical equipment
	3/31/2014	Other articles of plastics, nec	22209	Manufacture of other plastics products n.e.c.
	3/31/2015	Other articles of plastics, nec	22209	Manufacture of other plastics products n.e.c.
	3/31/2006	Printing and allied activities nec	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2013	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2011	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2012	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	12/31/2014	Other articles of plastics	22209	Manufacture of other plastics products n.e.c.
	3/31/2015	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	12/31/2014	Other articles of plastics, nec	22209	Manufacture of other plastics products n.e.c.
	3/31/2014	Other articles of plastics	22209	Manufacture of other plastics products n.e.c.
	3/31/2015	Other articles of plastics, nec	22209	Manufacture of other plastics products n.e.c.
	3/31/2012	Printing and allied activities nec	18119	Other printing activities like screen printing other than textile n.e.c.
	9/30/2014	Other articles of plastics, nec	22209	Manufacture of other plastics products n.e.c.
	3/31/2014	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2011	Other articles of plastics	22209	Manufacture of other plastics products n.e.c.
	3/31/2012	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.
	3/31/2012	Printing and service activities related to printing	18119	Other printing activities like screen printing other than textile n.e.c.

Refresh [ek clarifications on data and its operations, visit prowess.cmie.com](http://www.prowess.cmie.com)

Save As

Save in: XYZ India

Name: No items match your search.

Date modified: Tj

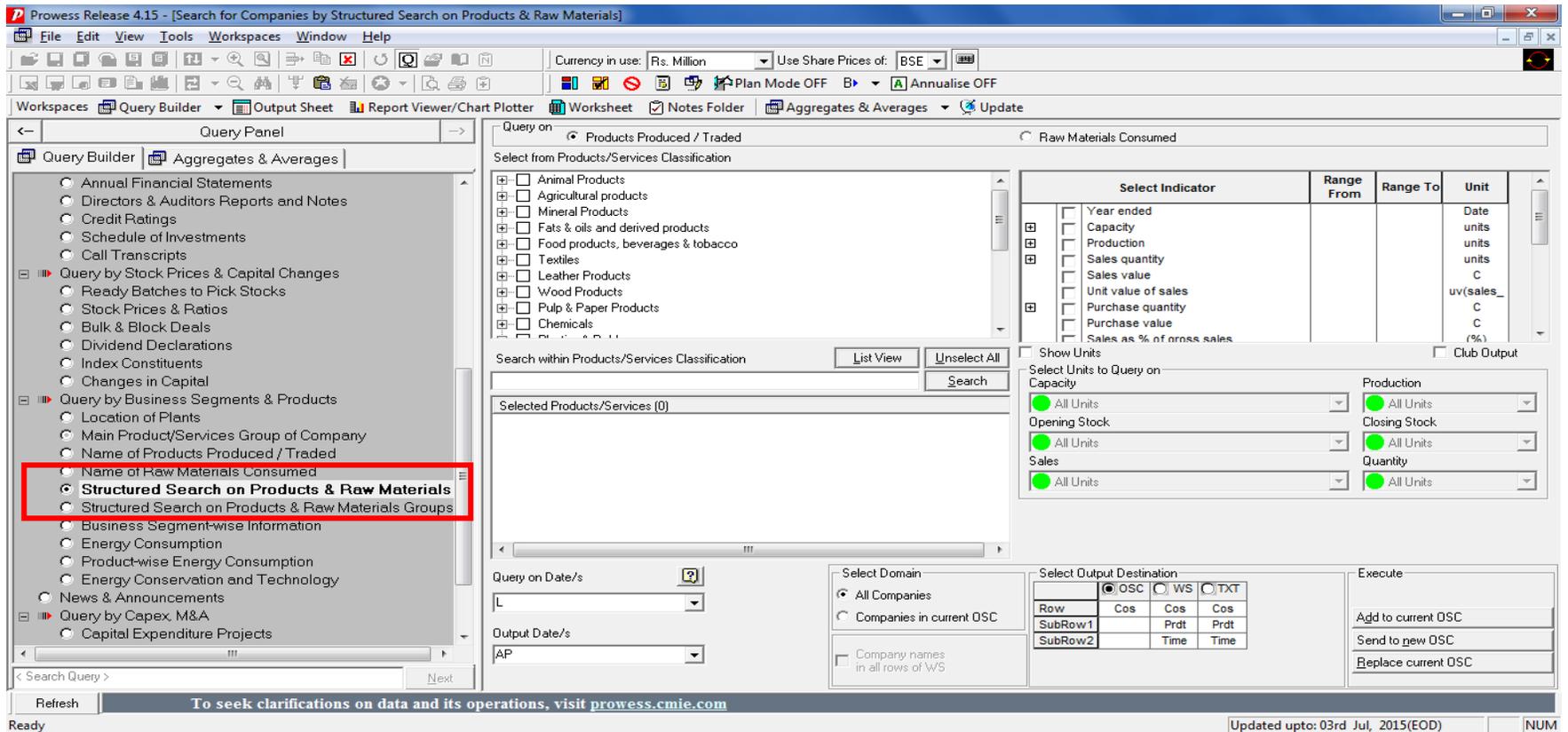
File name: Main products services set - 44 companies

Save as type: User Sets Files (\*.psu)

Description:

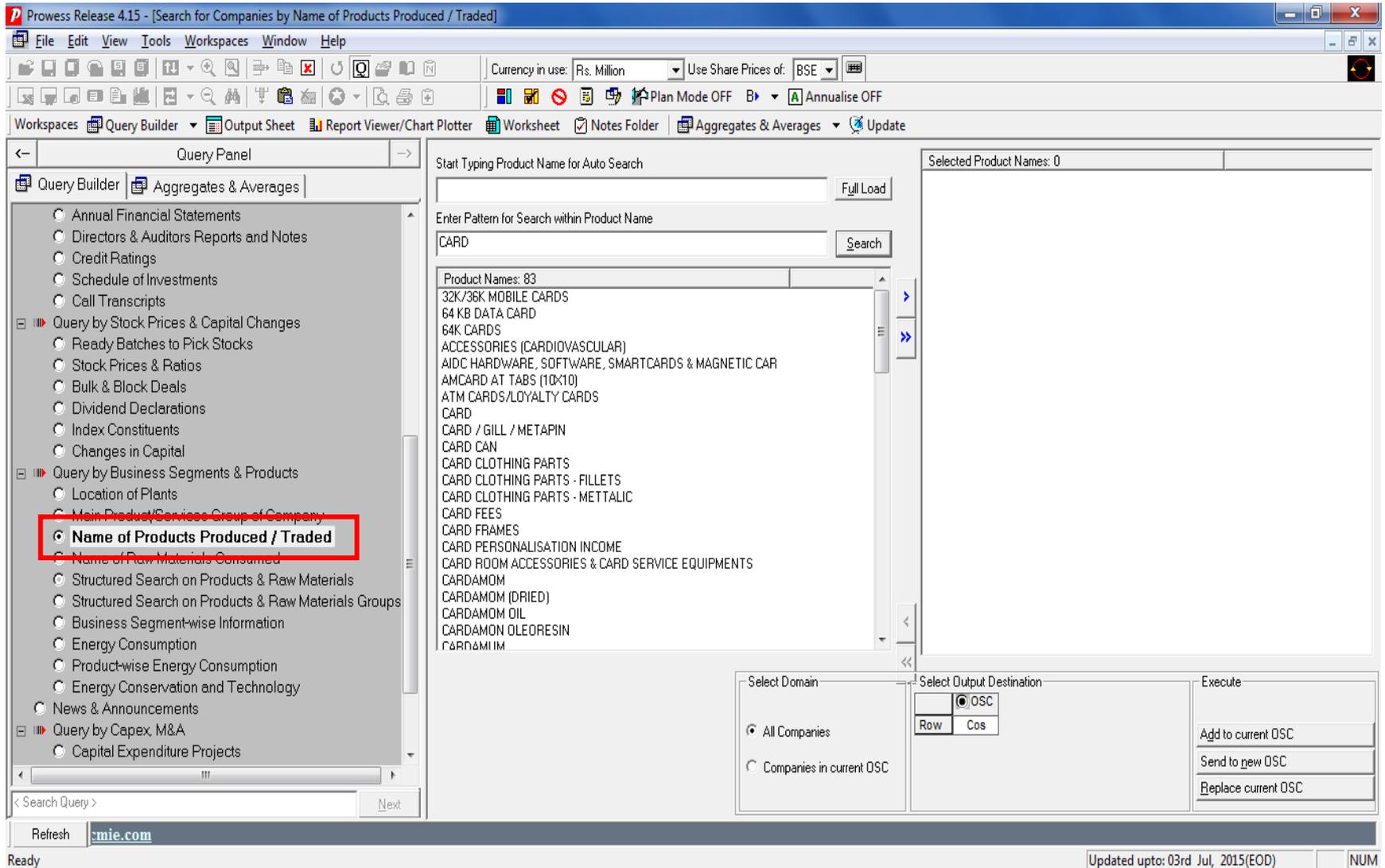
Save Cancel

**Step 2:** Run a structured search on product & raw materials category using the same keywords as used under main products head (ie used in Step 1)



Similar to step 1, companies selected under this step should also be saved as a peerset by transferring the companies to an output sheet.

**Step 3:** The *Query by Product Name* option can be used to identify all companies having the variables in their product name



**Step 4:** The *Query by Company Name* option can be used to identify all companies having the variables in their name

The screenshot shows the Prowess Release 4.15 software interface. The 'Query Panel' on the left has 'Select Company by Name' highlighted with a red box. The main window shows search results for 'CARD' in company names. The results are displayed in a table with two columns: 'Results of Company Name search: 26' and 'Company Name'. The table lists various companies such as AMTEK SICCARDI (INDIA) LTD., BACARDI INDIA PVT. LTD., and BOBCARDS LTD. The 'Select Output Destination' section at the bottom right shows 'OSC' selected, with options for 'All Companies' and 'Companies in current OSC'.

Results of Company Name search: 26	Company Name
AMTEK SICCARDI (INDIA) LTD.	A C I L LTD.
AMTEK SICCARDI PVT. LTD.	A C I L LTD.
BACARDI INDIA PVT. LTD.	BACARDI INDIA PVT. LT
BACARDI-MARTINI INDIA LTD.	BACARDI INDIA PVT. LT
BOBCARDS LTD.	BOBCARDS LTD.
CARDBOARD PRINTING & PROCESSING INDS. LTD.	DIAMOND PRODUCTS P
CARDCOM (INDIA) PVT. LTD.	CARDCOM (INDIA) PVT.
CARDINAL ENERGY & INFRASTRUCTURE PVT. LTD.	CARDINAL ENERGY & IN
CARDWELL SPINNING MILLS LTD.	CARDWELL SPINNING M
CAS CARD FINANCE LTD.	CAS CARD FINANCE LTI
INDIAN CARD CLOTHING CO. LTD.	INDIAN CARD CLOTHIN
IRIS SMART CARDS LTD.	IRIS SMART CARDS LTI
KERALA CARDAMOM PROCESSING & MKTG. CO. LTD.	KERALA CARDAMOM PR
KUTTANAD CARDAMOMS LTD.	KUTTANAD CARDAMOM
LAKSHMI CARD CLOTHING MFG. CO. LTD.	LAKSHMI CARD CLOTHI
LAKSHMI CARD CLOTHING MFG. CO. PVT. LTD.	LAKSHMI CARD CLOTHI
LAXMI CARD CLOTHING MFG. CO. PVT. LTD.	LAKSHMI CARD CLOTHI
MERCARD LTD.	MERCARD LTD.
NAGRA ID ARROW SECURE CARD PVT. LTD.	ARROW SECURE TECH
OLYMPIC CARDS LTD.	OLYMPIC CARDS LTD.

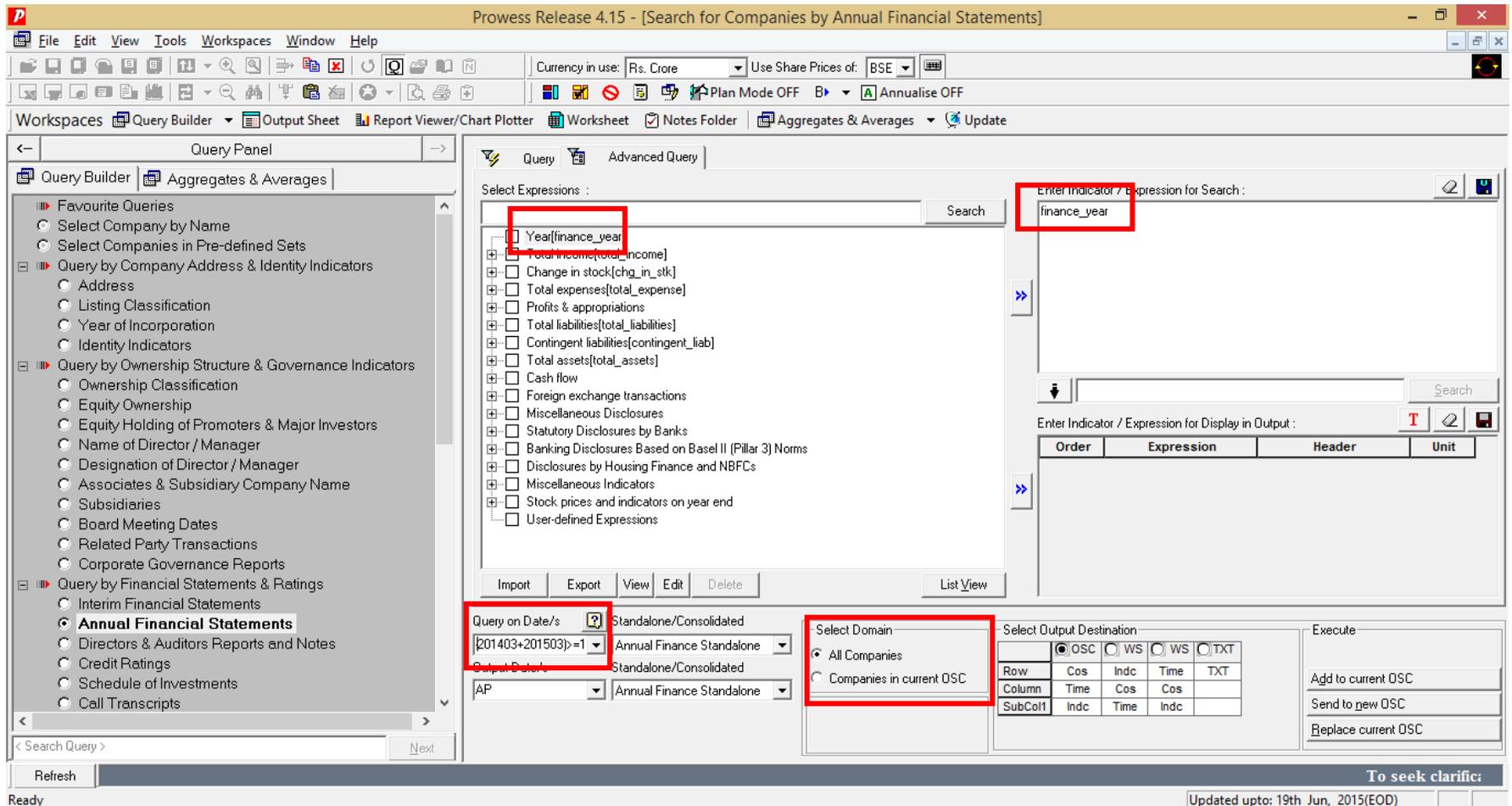
**Step 5:** The peer sets should be combined as shown below so as to produce a 'unique' set of companies identified under each search category.

The screenshot displays the Prowess Release 4.15 interface for selecting company sets. The 'Query Panel' on the left shows 'Select Companies in Pre-defined Sets' selected. The 'Select Sets' list includes categories like 'All industries', 'BSE Indices', and 'NSE Indices'. The 'Select User Sets' list on the right shows 'XYZ India' with three sub-items selected: 'main products services set - 44 companies.psu', 'nic activities - 27 companies.psu', and 'product name -36 companies.psu'. The 'Selected Sets (3)' table at the bottom lists these three sets with their respective set types (USER).

Selected Sets (3)	Set Type
main products services set - 44 companies.psu > XYZ...	USER
nic activities - 27 companies.psu > XYZ India > users...	USER
product name -36 companies.psu > XYZ India > users...	USER

**Step 6:** The companies selected after the keyword criteria should have at least one year of financial information. At this point, we can also ensure that all values represented by the database is in INR “Crore” as shown below.

The screenshot displays the Prowess Release 4.15 interface for searching companies by annual financial statements. The 'Currency in use' dropdown menu is highlighted with a red box, showing 'Rs. Crore' selected. The 'Query by Financial Statements & Ratings' section is also highlighted with a red box, with 'Annual Financial Statements' selected. The 'Select Expressions' list includes various financial metrics like 'Year[finance\_year]', 'Total income[total\_income]', etc. The 'Query on Date/s' is set to 'Annual Finance Standalone', and the 'Output Date/s' is 'Annual Finance Standalone'. The 'Select Domain' is 'All Companies', and the 'Select Output Destination' is 'OSC'. The status bar at the bottom indicates 'Ready' and 'Updated upto: 19th Jun, 2015(EOD)'. A 'To seek clarifications' link is visible in the bottom right corner.



Note: One needs to make sure that “Companies in current OSC” is selected to ensure that the screen is applied only on the selected companies and not on all the companies in Prowess.

**Step 7:** Further financial screens can be applied for eg we can select only those companies that have sales greater than 1 crore in any one of the 3 years of study (viz 2013, 2014 and 2015) as follows.

The screenshot displays the Prowess Release 4.15 interface for searching companies by annual financial statements. Key elements include:

- Query Panel:** A tree view on the left showing various filters, with 'Annual Financial Statements' selected.
- Select Expressions:** A list of financial indicators, with 'Year[finance\_year]' and 'Sales[sales]' highlighted by red boxes.
- Search Field:** A text box on the right labeled 'Enter Indicator / Expression for Search:' containing the text 'sales>1', also highlighted by a red box.
- Select Domain:** A section at the bottom with radio buttons for 'All Companies' and 'Companies in current OSC', where the latter is selected and highlighted by a red box.
- Select Output Destination:** A section with radio buttons for 'OSC', 'WS', and 'TXT', where 'OSC' is selected.
- Status Bar:** At the bottom, it shows 'Updated upto: 19th Jun, 2015(EOD)'.

The companies passing the quantitative filters ie the finance year and sales filter, are selected for further qualitative analysis.

**Step 8:** Run a segment-wise search using the same keywords as used under main products head (ie Step 1). On the segmental comparables run the finance and sales filter as shown in step 6 and 7.

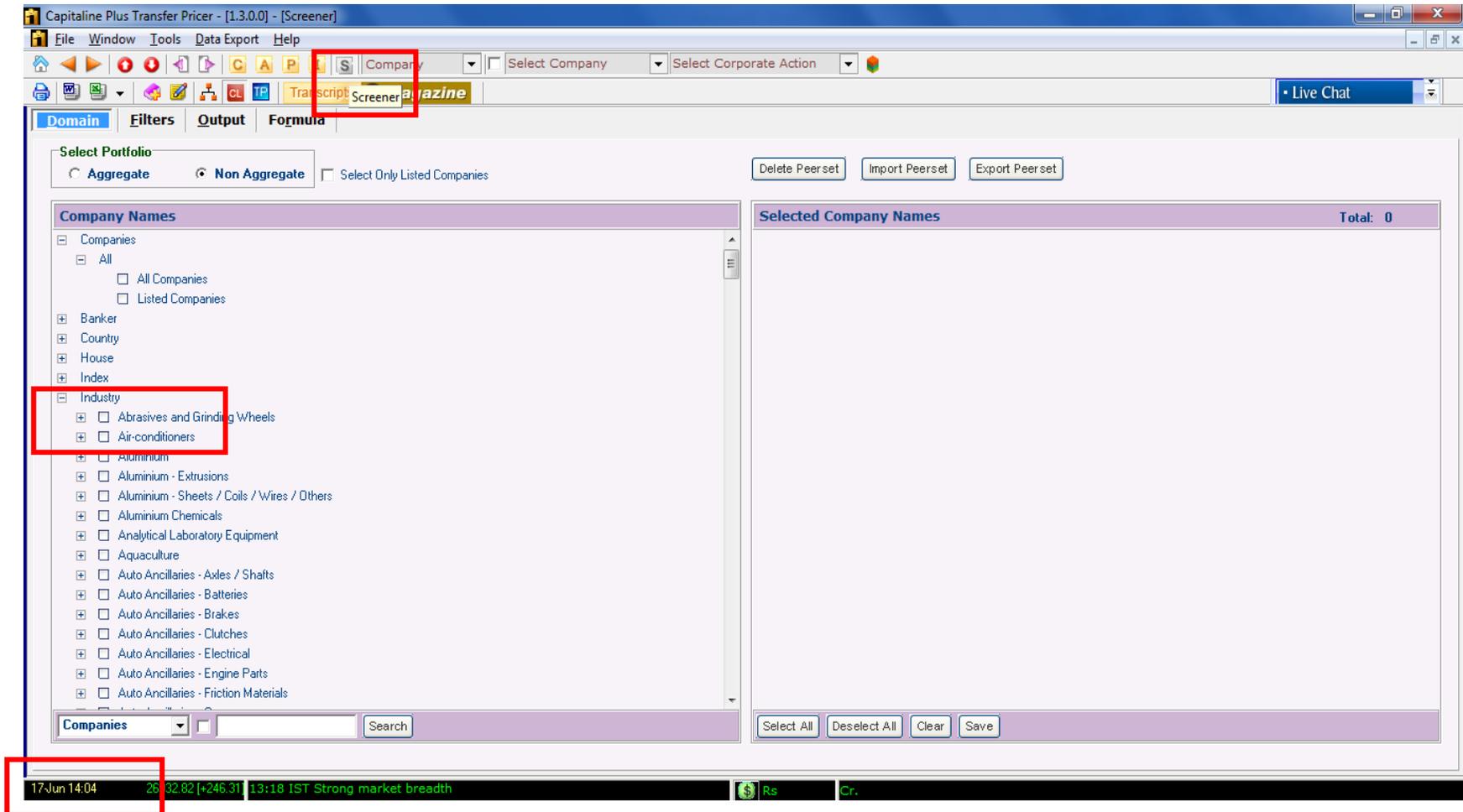
The screenshot shows the Prowess Release 4.15 interface. The 'Query Panel' on the left has 'Business Segment-wise Information' selected and highlighted with a red box. The main window shows the 'Query on' section with 'Business segments in Annual Financials' selected. Below this, there is a list of 'Products/Services Classification' with checkboxes for various categories like Animal Products, Agricultural products, etc. To the right, there is a table for 'Select Indicator' with columns for Range From, Range To, and Unit. The 'Query on Date/s' is set to 'L' and 'Output Date/s' is set to 'AP'. At the bottom, there are options for 'Select Domain' (All Companies) and 'Select Output Destination' (OSC, WS, TXT). A table shows the output structure with columns for Row, Cos, Sgmt, and Time.

Row	Cos	Cos	Sgmt	Cos
SubRow1			Sgmt	Cos
SubRow2			Time	Time

At the bottom of the interface, there is a footer with the text: "To seek clarifications on data and its operations, visit [prowess.cmie.com](http://prowess.cmie.com)" and "Updated upto: 03rd Jul, 2015(EOD)".

## Steps to be carried out in Capitaline database

**Step 1:** For commencing the search on capitaline, the database has to be selected. Accordingly, a search for broadly comparable companies can be conducted using the Industry section.



## Step 2 : Companies can be selected on the basis of NIC Activities

The screenshot shows the 'Capitaline Plus Transfer Pricer' software interface. The 'Domain' tab is active, and the 'NIC Activities' section is expanded. A red box highlights the following activities in the 'Company Names' list:

- Accounting, book-keeping and auditing activities;
- Architectural, engineering and other technical acti
- Activities Auxiliary to Financial Intermediation
- Activities auxiliary to financial Intermediation n
- Activities auxiliary to financial intermediation,

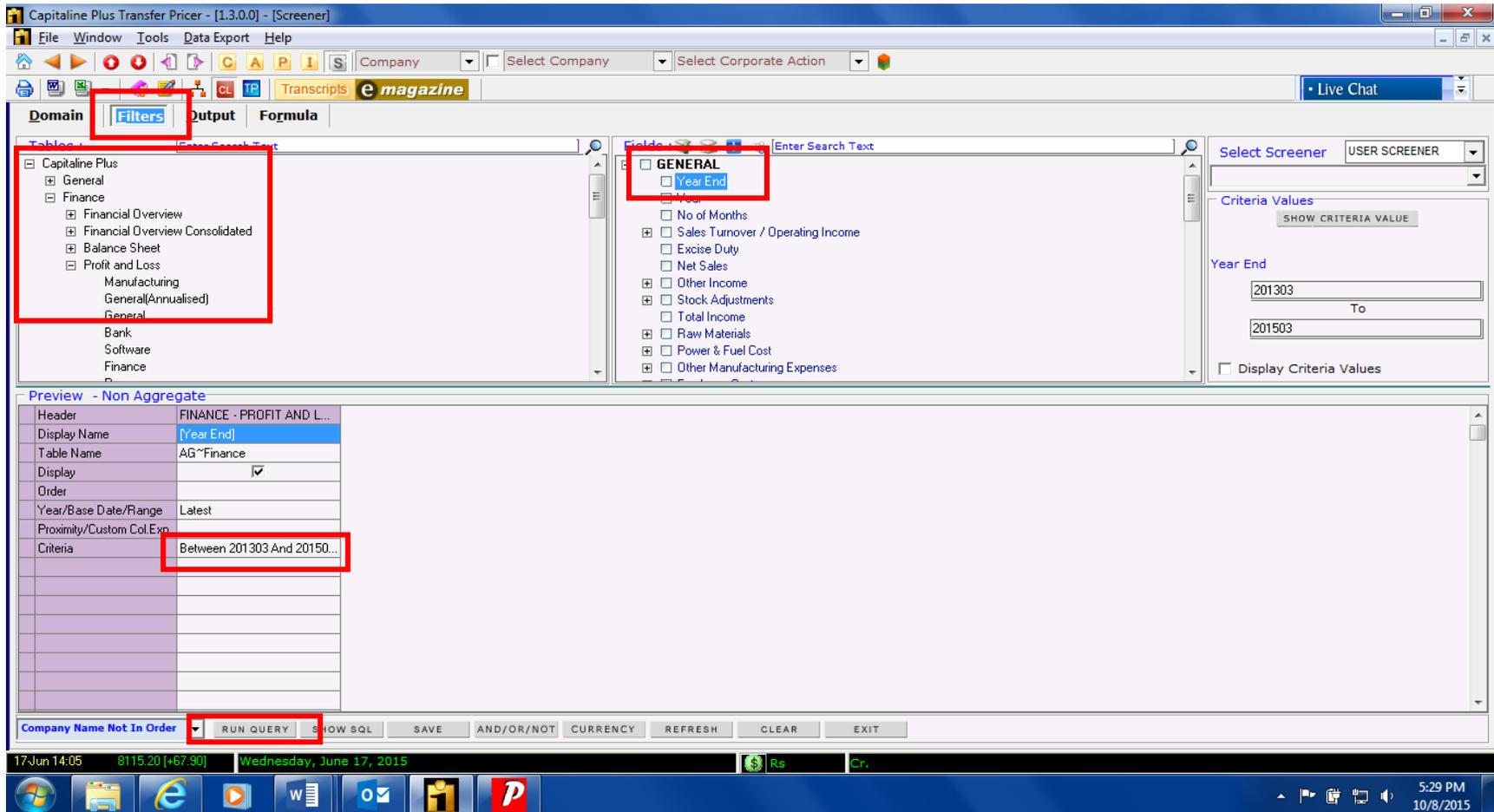
The 'Selected Company Names' list on the right shows 11 companies, all of which are checked:

- ICICI Prud. Tru.
- Samsung Leasing
- KESHORAM LEASING
- SITAL LEA & FIN.
- CROWN LEA & FIN.
- RUBAL LEA&HD.
- MONEYTECH FINLEA
- ASSOCIATED FIN.
- ZOOM LEAS & FIN
- REGENCY INV.
- Kelkar Invest.

At the bottom right, a red box highlights the 'Save' button. The status bar at the bottom shows the date and time as 17-Jun 14:04 and 13:18 IST, along with market data: 26932.82 [+246.31] and 'Strong market breadth'.

Save the selected companies as a common peerset.

**Step 3:** The finance filter can be applied on the selected companies. The companies should have atleast one year of financial information. This step is applied by going to 'Filters' tab.



Run the query in a new output sheet and right click to save as a common peerset.

The screenshot shows the Capitaline Plus Transfer Pricer interface. The 'Output' tab is selected and highlighted with a red box. A right-click context menu is open over the table, with the 'Save as Peerset' option highlighted in blue and also circled in red. The table contains the following data:

Co_Code	Co_Name	Sales Tur...
5	Pharmacia Health	33.22
8	Advance Petroch.	13.89
9	Aegis Logistics	370.85
10	Torrent Pow. AEC	1314.35
13	Alpine Inds.	504.67
14	Ambalal Sarabhai	16.28
17	Amrutanjan Healt	145.72
23	Apollo Tyres	9690.94
27	Arlem Breweries	2.56
39	Astrazeneca Phar	484.04
43	Atul	2516.05
54	Sanathnagar Ent.	51.79
55	Balkrishna Inds	3615.17
56	Ballarpur Inds.	1000.38
59	BASF India	4864.57
60	Bata India	2098.41
62	Bayer Crop Sci.	3399.20
64	Berger Paints	3735.35
71	Bharat Pipes	3.87
79	Bliss GVS Pharma	291.64
80	Blow Plast	257.16
83	Boehringer-Merge	73.92
84	Bombay Burmah	282.45
85	Bombay Dyeing	2782.93
88	Reliance Infra.	11488.83
90	Abbott India	2330.09
91	Borax Morarji	73.85
95	Bundy India	319.80

At the bottom of the window, a summary bar shows: 3174 Matched Companies (2286) and 888 UnMatched Companies.

**Step 4 :** For the companies passing the finance filter, another quantitative filter is applied. Companies with sales greater than 1 crore are to be selected for further qualitative analysis

The screenshot shows the 'Capitaline Plus Transfer Pricer' software interface. The 'Filters' tab is active, and the 'Fields' list on the right includes 'Sales Turnover / Operating Income', which is highlighted with a red box. The 'Criteria Values' section on the right shows a 'Sales Turnover / Operating Income' filter with input fields for 'To' and 'From' values. Below the main interface, a 'Preview - Non Aggregate' table is visible, with the 'Criteria' row highlighted in red, showing a value of '>1'.

Header	FINANCE - PROFIT AND L...
Display Name	[Sales Turnover / Operating ...
Table Name	AG~Finance
Display	<input checked="" type="checkbox"/>
Order	
Year/Base Date/Range	Latest
Proximity/Custom Col Exp	
Criteria	>1