



SEQUOIA CAPITAL®



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**Sequoia Capital and Sandstone Capital lead investment of 200 crores
(approximately US \$43 million) in Micromax**

***Will Join TA Associates on Board of the largest Indian domestic mobile handset
company***

New Delhi, September 20, 2010 – Micromax Informatics Limited, India’s largest domestic mobile handset company, announced that Sequoia Capital and Sandstone Capital LLC are taking minority stakes in the company. Sequoia Capital and Sandstone Capital will join TA Associates, which completed a US \$45 million investment in Micromax in late 2009. With this investment, Mohit Bhatnagar, Managing Director, Sequoia Capital, will join the board of the company. Madison Capital also participated in this investment round, which totalled 200 crores (approximately US \$43 million).

“The investments by Sequoia Capital and Sandstone Capital are testament to the market leadership of our business model,” said Rajesh Agarwal, Managing Director, Micromax Informatics Limited. “This is a strong vote of confidence from world class investors and we look forward to working with them and TA as we continue to introduce new products and further extend our reach beyond India.”

Naveen Wadhwa, Director, TA Associates Advisory Pvt. Ltd. and member of the Micromax Board of Directors, said, “By providing affordable feature-rich phones that address the unique needs of the Indian marketplace, we believe that Micromax has become a true innovator in the Indian mobile handset market. We are confident that the

experienced teams at Sandstone Capital and Sequoia Capital will prove valuable contributors, working with TA to provide additional support to continue the company's growth."

Micromax commenced operations as a developer of embedded software and e-commerce solutions in 2002, and entered the mobile handset market in 2008. The company is the largest Indian domestic mobile handset company and third largest in mobile handset company in India (*Source IDC*). The company is headquartered in New Delhi and has a presence in 23 states in India and has expanded its sales network internationally in Nepal, Sri Lanka and Bangladesh.

"Micromax has used knowledge of the Indian market and business acumen to mine consumer insights and create impactful product launches," said Mohit Bhatnagar, Managing Director, Sequoia Capital India. "With the added backing of a strong strategic board, I am confident that the passionate and ambitious entrepreneurs will continue to grow in this category."

"At Sandstone, we are always looking to invest in well run companies in India, with innovative products and growth potential," said Paresh Patel, Managing Director, Sandstone Capital LLC. "Micromax fits our investment criteria on all fronts, and we are excited about completing this investment and working with the company."

TA Associates Advisory Pvt. Ltd. provided advisory services to TA Associates in India. Lexygen and Goodwin Procter provided legal counsel to TA Associates. Grant Thornton served as financial advisor and Indus Law provided legal counsel to Micromax. Amarchand & Mangaldas & Suresh A. Shroff & Co. provided legal counsel to Sequoia Capital and Sandstone Capital.

About Micromax:

Micromax is one of the leading Indian Telecom [hardware] Company with 23 domestic offices across India and international presence in Hong Kong, USA, Dubai, Nepal and Sri Lanka. Within a short span of time the brand has become the preferred choice of millions, ranking Micromax as No. 3 mobile brand in the Indian telecom space (source: IDC report). Micromax has focused their efforts towards creating life-enhancing mobile phone solutions and wireless technologies that cater to the increasingly sophisticated needs of mobile users in India. Driven by aspirations and passion for the telecom world, Micromax has geared up to bring about a paradigm shift in the way cell phones are used by introducing groundbreaking mobile solutions technology.

About Sandstone Capital

Sandstone Capital is an investment fund focused on long-term investments in public and private companies in India. Sandstone and its affiliates have offices in Boston, Mauritius and Mumbai and represent institutional investors from the US and Europe. At Sandstone our investments are managed by a 14-person team that shares a common passion for investing. We look for exceptional companies with strong fundamentals, world-class management teams, extraordinary growth and clear competitive strengths. We invest across all sectors and market capitalizations. We are active investors in our companies and strive to forge long-term relationships with our management teams based on the principles of mutual respect, integrity and trust. Our investments

in private companies include SKS Microfinance, Tejas Networks and Micromax. Sandstone has been investing in India since 2005.

About Sequoia Capital

Sequoia Capital currently manages funds capitalized at close to US \$1.8 billion and invests across venture, growth and late stage opportunities in India. It takes a long term view on investments and plays the role of an active, value added partner to entrepreneurs, business families and management teams. Over the last nine years, Sequoia Capital has invested in more than 50 Indian companies, including Café Coffee Day, Comviva (Bharti Telesoft), Dr Lal PathLabs, Edelweiss, Firstsource, Idea Cellular, Ind-Barath Power, Just Dial, Manappuram Finance, Shaadi.com and SKS Microfinance. Sequoia Capital operates out of offices in Bangalore, Mumbai and New Delhi.

Globally, Sequoia Capital has an unparalleled track record of partnering with entrepreneurs to create global market leaders. Sequoia Capital has been an early investor in companies such as Google, Cisco, Yahoo, YouTube, Oracle and Apple Computers. Sequoia Capital maintains dedicated teams in the U.S., China, India and Israel.

For more information, kindly visit: <http://www.sequoiacap.com/india>.

About TA Associates

Founded in 1968, TA Associates is one of the largest and most experienced middle market private equity firms. The firm has invested in over 400 companies and manages more than US \$16 billion in capital. With offices in Boston, London, Menlo Park and Mumbai, TA Associates leads buyouts and minority recapitalizations of profitable growth companies in the technology, financial services, business services, healthcare and consumer industries. In addition to Micromax Informatics Limited, TA's investments in India include Dr Lal PathLabs, GlobeOp Financial Services and Idea Cellular; and in the communications sector include FreeWave Technologies, Idea Cellular, MetroPCS Communications, SBA Communications, TARGUSInfo, TEOCO and Weather Investments S.p.A.

More information about TA Associates can be found at www.ta.com.

About Madison India Capital

Madison India Capital is one of India's leading independent private equity funds focused exclusively on media, communications and information industries. As sector specialists, Madison India Capital is a value added investor with deep industry and capital markets relationships. These sectors of focus include radio and television broadcasting, publishing, marketing services, content and distribution, information services, education, offshore services related to media and communications, wireline and wireless telephony, broadband, as well as other industry segments. Madison India Capital builds long-term partnerships with management teams of high growth companies that are shaping their industries in India. Visit www.madison-india.com for more information.

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