



## ROUTE MOBILE LIMITED

Route Mobile Limited ("our Company" or "the Company" or "the Issuer") was incorporated as 'Routesms Solutions Private Limited', a private limited company under the Companies Act, 1956 on May 14, 2004 at Mumbai, Maharashtra. Subsequently, upon conversion to a public limited company pursuant to a special resolution of the shareholders of our Company dated February 15, 2007 the name of our Company was changed to 'Routesms Solutions Limited' and a fresh certificate of incorporation was issued by the RoC on April 17, 2007. The name of our Company was subsequently changed to 'Route Mobile Limited' pursuant to a special resolution of the shareholders of our Company dated March 8, 2016, and a fresh certificate of incorporation was issued by the RoC on March 16, 2016. For further details, including details of change in registered office of our Company, see "History and Certain Corporate matters" on page 142.

**Registered and Corporate Office:** 4th Dimension, 3rd Floor, Mind Space, Malad (West), Mumbai 400 064, Maharashtra, India.

**Contact Person:** Rathindra Das, Company Secretary and Compliance Officer, **Telephone:** +91 22 4033 7676; **E-mail:** investors@routemobile.com; **Website:** www.routemobile.com

**Corporate Identity Number:** U72900MH2004PLC146323

### OUR PROMOTERS: SANDIPKUMAR GUPTA AND RAJDIPKUMAR GUPTA

**INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE"), AGGREGATING UP TO ₹ 6,000.00 MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,400.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,600.00 MILLION BY THE SELLING SHAREHOLDERS BEING THE PROMOTERS, INCLUDING UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY SANDIPKUMAR GUPTA AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY RAJDIPKUMAR GUPTA ("OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE UP TO [●] % OF THE FULLY DILUTED POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

OUR COMPANY MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs"), CONSIDER A PRE-OFFER PLACEMENT OF AN AGGREGATE AMOUNT NOT EXCEEDING ₹ 1,000.00 MILLION (THE "PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMs AND THE PRE-IPO PLACEMENT WILL BE UNDERTAKEN PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE AMOUNT RAISED FROM THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE OFFER, SUBJECT TO THE MINIMUM ISSUE SIZE CONSTITUTING AT LEAST 10% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BRLMs AND THE MINIMUM BID LOT SIZE WILL BE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BRLMs, AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER [●], AND MUMBAI EDITIONS OF THE MARATHI DAILY NEWSPAPER [●] (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS") AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the changes on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and the Sponsor Bank.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, all the application monies will be refunded/ unblocked forthwith. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID (in case of RIBs) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 382.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Offer Price/Floor Price/Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 23.

### COMPANY AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. The Selling Shareholders, severally and not jointly, accept responsibility for and confirm the statements made by such Selling Shareholders in this Draft Red Herring Prospectus to the extent such statements contain information specifically pertaining to the respective Selling Shareholder and its portion of the Equity Shares offered in the Offer and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 433.

### BOOK RUNNING LEAD MANAGERS

### REGISTRAR TO THE OFFER

<b>ICICI Securities Limited</b> ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020 Maharashtra, India <b>Tel:</b> +91 22 2288 2460 <b>E-mail:</b> routemobile ipo@icicisecurities.com <b>Website:</b> www.icicisecurities.com <b>Contact person:</b> Payal Kulkarni/Rishi Tiwari	<b>Axis Capital Limited</b> 1st Floor, Axis House, C 2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai 400 025, Maharashtra, India <b>Tel:</b> +91 22 4325 2183 <b>Email:</b> route.ipo@axiscap.in <b>Website:</b> www.axiscapital.co.in <b>Contact person:</b> Sagar Jatakiya	<b>Edelweiss Financial Services Limited</b> 14th Floor, Edelweiss House, Off C.S.T. Road, Kalina, Mumbai 400 098, Maharashtra, India <b>Tel:</b> +91 22 4009 4400 <b>E-mail:</b> routemobile.ipo@edelweissfin.com <b>Website:</b> www.edelweissfin.com <b>Contact Person:</b> Nishita John/Yash Modi	<b>IDBI Capital Markets &amp; Securities Limited</b> 6th floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400 005, Maharashtra, India <b>Tel:</b> +91 22 2217 1700 <b>Email:</b> ipo.routemobile@idbicapital.com <b>Website:</b> www.idbicapital.com <b>Contact Person:</b> Subodh Gandhi/ Sooraj Bhatia	<b>Karvy Fintech Private Limited</b> Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, Telangana, India <b>Tel:</b> +91 40 6716 2222 <b>Email:</b> einward.ris@karvy.com <b>Website:</b> www.karisma.karvy.com <b>Contact Person:</b> M Murali Krishna

### BID/ OFFER PROGRAMME

<b>BID/ OFFER OPENS ON:</b>	<b>[●]<sup>(1)</sup></b>	<b>BID/OFFER CLOSING ON:</b>	<b>[●]<sup>(2)</sup></b>
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1) Our Company and Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one (1) Working Day prior to the Bid/ Offer Opening Date.

2) Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.*

*Provided that terms used in the sections “General Information Document”, “Industry Overview”, “Summary of Industry”, “Financial Statements” and “Description of Equity Shares and Terms of Articles of Association” shall unless indicated otherwise have the meanings ascribed to such terms in the respective sections.*

#### General Terms

Term	Description
“the Company”, “our Company”, “the Issuer” or “Route Mobile”	Route Mobile Limited, a company incorporated under the Companies Act, 1956, having its registered and corporate office at 4th Dimension, 3rd Floor, Mind Space, Malad (West), Mumbai 400 064, Maharashtra, India
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries

#### Company Related Terms

Term	Description
365squared	365squared Limited, our Subsidiary.
Articles/Articles of Association	of Articles/ Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.
Auditors/Statutory Auditors	The statutory auditors of our Company, Walker Chandiok & Co LLP, Chartered Accountants.
Board/Board of Directors	Board of Directors of our Company or a duly constituted committee thereof.
Call2Connect	Call 2 Connect India Private Limited, our Subsidiary.
Compliance Officer	Our company secretary who has been appointed as the compliance officer of our Company.
Corporate Social Responsibility Committee/CSR Committee	The committee of the Board of Directors constituted as our Company’s corporate social responsibility committee in accordance with the Companies Act, 2013.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
ESOP 2017	The employee stock option plan of our Company, namely ‘RML Employees Stock Option Plan 2017’.
Group Companies	Company as identified in “Group Company” in the section titled “Our Group Companies” on page 184.
IPO Committee	The committee constituted by our Board for the Offer, as described in “Our Management” on page 163.

Term		Description
Key Managerial Personnel/KMP		Those individuals described in the sub-section titled “ <i>Our Management – Key Managerial Personnel</i> ” on page 163.
Material Subsidiaries		Route Mobile (UK) Limited, RouteSms Solutions FZE, UAE and 365squared Limited are the material subsidiaries of our Company
Memorandum/Memorandum of Association/MoA		Memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee		The committee of the Board of Directors reconstituted as our Company’s nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Promoters		The promoters of our Company, namely, Sandipkumar Gupta and Rajdipkumar Gupta.
Promoter Group		The persons and entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details of our Company’s Promoter Group, see “ <i>Our Promoters and Promoter Group</i> ” on page 180.
Registered Office		The registered office of our Company, situated at 4th Dimension, 3rd Floor, Mind Space, Malad (West), Mumbai 400 064, Maharashtra, India.
Registrar of Companies/ ROC		Registrar of Companies, Maharashtra at Mumbai situated at 100 Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.
Restated Financial Statements/Restated Financial Information		Restated consolidated financial statements of our Company and Subsidiaries and its associate which comprise the restated consolidated statement of assets and liabilities as at March 31, 2019, 2018 and 2017, the restated consolidated statement of profit and loss (including other comprehensive income) and restated consolidated statement of changes in equity for each of the financial years ended March 31 2019, 2018 and 2017 and the restated consolidated statement of cash flows for the financial years ended March 31 2019, 2018 and 2017 and the summary of significant accounting policies, read with annexures and notes thereto and the examination reports thereon and other financial information for the financial years then ended, prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time and included in the section titled “ <i>Financial Information</i> ” on page 189.
Shareholders		Shareholders of our Company, from time to time.
Stakeholders’ Relationship Committee		The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.
Subsidiaries		<p>The subsidiaries and stepdown subsidiaries of our Company namely-</p> <ul style="list-style-type: none"> <li>i. Sphere Edge Consulting (India) Private Limited;</li> <li>ii. Start Corp India Private Limited;</li> <li>iii. Cellent Technologies (India) Private Limited;</li> <li>iv. Call 2 Connect India Private Limited;</li> <li>v. Route Mobile (UK) Limited; <ul style="list-style-type: none"> <li>a) Route Mobile Hong Kong Limited;</li> <li>b) Route Mobile Limited, Ghana;</li> <li>c) Route Mobile Inc, USA;</li> <li>d) Route Connect (Kenya) Limited;</li> <li>e) 365squared Limited, Malta;</li> <li>f) Route Mobile Nepal Private Limited;</li> <li>g) Route Mobile Lanka (Private) Limited;</li> <li>h) Route Mobile (Bangladesh) Limited;</li> <li>i) Route Mobile Malta Limited;</li> <li>j) Route SMS Solutions Zambia Limited;</li> <li>k) Route Mobile Uganda Limited; and</li> <li>l) Spectrum Telecom FZ – LLC.</li> </ul> </li> <li>vi. RouteSms Solutions Nigeria Ltd;</li> </ul>

Term	Description
vii.	RouteSms Solutions FZE, UAE;
	a) Route Mobile L.L.C, UAE.
viii.	Route Mobile Pte. Ltd., Singapore; and
ix.	Route Connect Private Limited.

For details, see “*Our Subsidiaries*” beginning on page 149.

## Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid Cum Application Form.
Allot/Allotment/Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to each successful Bidder has been or is to be Allotted Equity Shares after the Basis of Allotment who has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investor in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholders in consultation with the BRLMs on the Anchor Investor Bid/ Offer Period.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/ Offer period/Anchor Investor Bidding Date	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any bids from Anchor investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price, but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion, consisting of [●] Equity Shares, which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Anchor Investor Pay-in Date	The Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Bidders/ Applicants, other than Anchor Investors, to make a Bid by authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by Retail Individual Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the Retail Individual Bidder blocked upon acceptance of UPI Mandate Request by Retail Individual Bidders using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant.

Term	Description
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
ASBA Bidder	All Bidders except Anchor Investors.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Axis	Axis Capital Limited
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Bidders under the Offer and which is described in the sub-section titled “Offer Procedure- Allotment Procedure and Basis of Allotment” on page 382.
Bid(s)	An indication to make an offer during the Bid/Offer Period by a Bidder (other than Anchor Investor) pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/blocked in the ASBA Account on submission of a bid in the Offer.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●].
	Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
	In case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●]
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of three Working Days.
	Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
Book Building Process	The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations and as amended from time to time, in terms of which the Offer is being made.
Broker Centres	Broker centres notified by the Stock Exchanges, where relevant Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com).

<b>Term</b>		<b>Description</b>
BRLMs/Book Running Lead Managers		The book running lead managers to the Offer, being ICICI Securities Limited, Axis Capital Limited, Edelweiss Financial Services Limited and IDBI Capital Markets & Securities Limited.
CAN / Confirmation of Allocation Note		Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period.
Cap Price		The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted.
Cash Escrow Agreement		Agreement dated [●] entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank, the Refund Banker, Sponsor Bank and the Public Offer Bank for collection of the Bid Amounts from the Anchor Investors, transfer of funds from the Escrow Account to the Public Offer Account and where applicable, refunds of the amounts collected from the Bidders, on the terms and conditions thereof.
Client ID		Client identification number of the Bidder's beneficiary account
Collecting Depository Participant(s) or CDP(s)		A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE.
Cut-off Price		The Offer Price, finalised by our Company and the Selling Shareholders in consultation with BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non- Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details		Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, PAN, occupation and bank account details and UPI ID, wherever applicable.
Designated Date		The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIBs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, in terms of the Red Herring Prospectus following which Equity Shares will be Allotted in the Offer.
Designated Intermediaries		Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer.
Designated Locations	CDP	Such locations of the CDPs where relevant Bidders can submit the ASBA Forms and in case of RIBs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges. (www.bseindia.com and www.nseindia.com)
Designated Locations	RTA	Such locations of the RTAs where relevant Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges. (www.bseindia.com and www.nseindia.com)
Designated Branches	SCSB	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Exchange	Stock	[●]
Draft Red Prospectus or DRHP	Herring	This draft red herring prospectus dated September 30, 2019 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars, including of the price

Term	Description
	at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.
Edelweiss	Edelweiss Financial Services Limited
Eligible NRI(s)	NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares.
Escrow Account(s)	Account(s) opened for the Offer with the Escrow Collection Bank and in whose favour the Anchor Investors may issue or transfer money through direct credit/NACH/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchanges in relation to our Equity Shares.
First Bidder	The Bidder whose name appears first in the Bid cum Application Form in case of a joint Bid and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalised and below which no Bids will be accepted.
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 2,400.00 million by our Company.
General Information Document/ GID	The General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circulars (CIR/CFD/POLICYCELL/III/2015) dated November 10, 2015, (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018, the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, the circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs.
I-Sec	ICICI Securities Limited.
IDBI	IDBI Capital Markets & Securities Limited
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement dated [●] entered into between our Company and the Monitoring Agency
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only.
Net Proceeds	Proceeds of the Fresh Issue less Company's share of Offer related expenses. For further information about the Offer related expenses, see " <i>Objects of the Offer</i> " on page 84.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders	All Bidders including FPIs that are not QIBs or Retail Individual Bidders and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Pre-IPO Placement	A pre-Offer placement of Equity Shares by our Company, in consultation with the BRLMs, for an aggregate amount not exceeding ₹1,000.00 million. The Pre-IPO Placement, if



Term	Description
	undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer Size constituting at least 10% of the post-Offer paid-up Equity Share capital of our Offer.
Offer	Public issue of up to [●] Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ 6,000.00 million comprising the Fresh Issue and the Offer for Sale.
	Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an aggregate amount not exceeding ₹1,000.00 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer Size constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company.
Offer Agreement	The agreement dated September 30, 2019 between our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Price	The final price at which the Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, on the Pricing Date. Unless otherwise stated or the context otherwise implies, the term Offer Price refers to the Offer Price applicable to investors other than Anchor Investors.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 84.
Offered Shares	Such number of Equity Shares as will be transferred by the Selling Shareholder, pursuant to the Offer for Sale, aggregating up to ₹1,000.00 million.
Offer for Sale	The offer for sale of up to [●] Equity Shares by the Selling Shareholders aggregating up to ₹ 3,600.00 million, comprising such number of Equity Shares by each of the Selling Shareholders as set out in the section titled “ <i>The Offer</i> ” on page 54.
Price Band	Price Band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof.
	The Price Band will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and will be advertised, at least two (2) Working Days prior to the Bid/Offer Opening Date, in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and Mumbai editions of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation.
Pricing Date	The date on which our Company and the Selling Shareholders in consultation with BRLMs will finalise the Offer Price.
Promoters	Sandipkumar Gupta and Rajdipkumar Gupta.
Prospectus	The prospectus to be filed with the RoC in accordance with section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price that is determined through the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	Account opened with the Public Offer Bank to receive monies from the Escrow Account(s) and to which the funds shall be transferred by the SCSBs from the ASBA Accounts of the successful Allottees, on or after the Designated Date.
Public Offer Bank	Bank with whom the Public Offer Account for collection of bidding amount from Escrow Account(s) and ASBA Accounts of the successful Allottees opened for collection of Bid

Term	Description
	Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].
QIB Portion	The portion of the Offer, being at least 75% of the Offer, which shall be Allotted to QIBs (including Anchor Investors).
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the 2018 SEBI ICDR Regulations.
Red Herring Prospectus/ RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto. Red Herring Prospectus will be filed with the RoC at least three Working Day(s) before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Banker, from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	[●]
Refunds through electronic transfer of funds	Refunds through NACH, Direct Credit, RTGS or NEFT, as applicable.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
Registrar Agreement	The agreement dated September 30, 2019 between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar and Share Transfer Agents/RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Offer/Registrar	Karvy Fintech Private Limited.
Retail Individual Bidders(s)	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs).
Retail Portion	The portion of the Offer being not more than 10% of the Offer, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous revision form(s) before closure of the Offer.
	Kindly note that QIBs and Non-Institutional Bidders are not allowed to withdraw or lower their Bid (in terms of quality of Equity Shares or the Bid Amount) at any stage, once submitted. Retail Individual Bidders can revise and withdraw their Bids during the Bid/Offer Period.
Self-Certified Syndicate Banks or SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.

Term		Description
Share Escrow Agreement		Agreement dated [●] entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.
Shares Escrow Agent		[●]
Selling Shareholders		Sandipkumar Gupta and Rajdipkumar Gupta.
Specified Locations		Bidding centres where the members of Syndicate shall accept ASBA Forms from Bidders.
Sponsor Bank		[●], being a Banker to the Offer, appointed by our Bank to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars
Stock Exchanges		BSE and NSE.
Syndicate Agreement		The agreement dated [●] entered into amongst the BRLMs, the Syndicate Members, the Registrar to the Offer, our Company and the Selling Shareholders in relation to the collection of Bid cum Application Forms by the Syndicate.
Syndicate Members		Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, namely, [●] and [●].
Syndicate/ members of the Syndicate		BRLMs and the Syndicate Members.
Systemically Important Non Banking Financial Companies		Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TRS/Transaction Registration Slip		The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid.
Underwriters		[●]
Underwriting Agreements		The agreement dated [●] amongst the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date.
UPI		Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Circulars		The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID		ID created on the UPI.
UPI Mandate Request		request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism		The bidding mechanism that may be used by an RIB in accordance with the UPI Circulars to make an ASBA Bid in the Offer
Working Days		Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2016/26 dated January 21, 2016, as amended from time to time and as per the SEBI Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, as amended from time to time.

## Conventional and General Terms and Abbreviations

Term	Description
AED	United Arab Emirates, Dirham, official currency of United Arab Emirates
AIF(s)	Alternative Investment Funds
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CEO	Chief Executive Officer
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act / Companies Act 2013	Companies Act, 2013 and the rules thereunder.
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility.
Category I FPI	FPIs who are registered with SEBI as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II FPI	FPIs who are registered with SEBI as “Category II foreign portfolio investors” under the SEBI FPI Regulations.
Depository(ies)	NSDL and CDSL, both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant’s identity number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary general meeting.
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ERP	Enterprise Resource Planning
ESI Act	Employees’ State Insurance Act, 1948
Euro/EUR/€	Euro, the official currency of Euro Member Countries
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered under Chapter II of the SEBI FPI Regulations and shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992.
Fugitive Offender	Economic An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GBP/£	British Pound, the official currency of the United Kingdom

Term	Description
GDP	Gross Domestic Product
GoI	The Government of India
GHS	Ghanaian Cedi, official currency of Ghana
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
HKD	Hong Kong Dollar
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India
IPO	Initial public offering
IT	Information Technology
KES	Kenyan Shilling, the official currency of Kenya
LKR	Sri Lankan Rupee
MAT	Minimum Alternate Tax.
MCA	The Ministry of Corporate Affairs, GoI
MICR	Magnetic ink character recognition.
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable.
NACH	National Automated Clearing House, a consolidated system of ECS.
NAV	Net Asset Value
NGN	Nigerian Naira, official currency of Nigeria
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPCI	National Payments Corporation of India
NPR	Nepali Rupee
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI.
NRI	Non-Resident Indian.
NRO	Non-resident ordinary account
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the Securities Act
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contract (Regulation) Act, 1956

<b>Term</b>	<b>Description</b>
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Securities Act	The United States Securities Act of 1933, as amended
SGD	Singapore Dollar, the official currency of Singapore
STT	Securities Transaction Tax
Trademarks Act	Trademarks Act, 1999
TDS	Tax deducted at source
UNCITRAL	United Nations Commission on International Trade Law
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors.
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31

#### **Industry Related Terms**

<b>Term</b>	<b>Description</b>
2FA	Two Factor Authentication
A2P	Application-To-Person
API	Application Program Interface
B2B	Business to Business
B2C	Business to Consumer
CAGR	Compound Annual Growth Rate
CIS	Commonwealth of Independent States
HLR	Home Location Register
Jones Lang LaSalle	Jones Lang LaSalle Property Consultants India Private Limited
KPI	Key Performance Indicator

Term	Description
MNO	Mobile Network Operator
M2M	Machine-To-Machine
OTT	Over-The-Top
RCS	Rich Communication Services
ROCCO	Roaming Consulting Company Limited
SIM	Subscriber Identity Module
SMB	Small to medium business proposition
SMS	Short Message Service
SMSC	Short Message Service Centre
USP	Unique Selling Proposition
USSD	Unstructured Supplementary Service Data
VAS	Value Added Services
WAP	Wireless Application Protocol

*Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information”, and “Outstanding Litigation and Material Developments” on pages 401, 96, 110, 118, 189, and 348 respectively, will have the meaning ascribed to such terms in these respective sections.*

## **CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

All references in this Draft Red Herring Prospectus to “India” are to the Republic of India. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### **Financial Data**

Unless indicated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our Restated Financial Statements which have been prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time, as of and for the financial year ended March 31, 2019, 2018 and 2017.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Ind AS and US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessment of our financial condition*” on page 23. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

### **Time**

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

### **Currency and Units of Presentation**

All references to:

- “AED” or “Dirham” are to United Arab Emirates, Dirham, the official currency of UAE;
- “BDT” are to Bangladeshi Taka, the official currency of Bangladesh;



- “EUR” or “€” are to Euro, the official currency of Euro Member Countries;
- “GBP” or “£” are to Pound Sterling, the official currency of the United Kingdom;
- “GHS” are to Ghanaian Cedi, the official currency of Ghana;
- “HKD” are to Hong Kong Dollar, the official currency of Hong Kong;
- “KES” are to Kenyan Shilling, the official currency of Kenya;
- “LKR” are to Sri Lankan Rupee, the official currency of Sri Lanka;
- “NPR” are to Nepalese Rupee, the official currency of Nepal;
- “NGN” are to Nigerian Naira, official currency of Nigeria;
- “Rupee(s)”, “Rs.” or “₹” or “INR” are to Indian Rupees, the official currency of the Republic of India;
- “SGD” are to Singapore Dollar, the official currency of Singapore;
- “UGX” are to Uganda Shillings, the official currency of the Republic of Uganda;
- “USD” or “U.S. Dollars” or “\$” are to United States Dollars, the official currency of the United States of America; and
- “ZMK” are to Zambian Kwacha, the official currency of the Republic of Zambia.

### Exchange rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency#	Exchange rate as on		
	March 31, 2019	March 31, 2018	March 31, 2017
1 AED	18.86	17.74	17.66
1 BDT	0.82	0.78	0.81
1 EURO	77.70	80.62	69.25
1 GBP	90.48	92.28	80.88
1 GHS	12.95	14.80	15.07
1 HKD	8.82	8.30	8.35
1 KES	0.69	0.65	0.63
1 LKR	0.39	0.42	0.43
1 NPR	0.62	0.62	0.62
1 NGN	0.19	0.18	0.20
1 SGD	51.13	49.76	46.43
1 USD	69.17	65.04	64.84

#Source: [www.rbi.org.in](http://www.rbi.org.in), [www.fbil.org.in](http://www.fbil.org.in) and [www.xe.com](http://www.xe.com)

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

### Industry and Market Data

The industry and market data set forth in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources.

This Draft Red Herring Prospectus contains certain industry and market data and statements concerning our industry obtained or extracted from “A2P SMS Messaging Vendor Performance Report 2017” dated June 2017 (the “**ROCCO Report 2017**”), prepared and issued by Roaming Consulting Company Limited commissioned by us and from “Mobile Messaging Markets – SMS, MMS, IM, Email, RCS/RCS-e, Social 2012 – 2017” dated September, 2012, “A2P Messaging: Opportunities, Competition & Forecasts 2017 – 2022” dated November, 2017, “The Internet of Things: Consumer, Industrial & Public Services 2016 – 2021” dated December, 2016 (collectively, the “**Juniper Reports**”) prepared and issued by Juniper Research Limited.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we have no reason to believe that industry data used in this Draft Red Herring Prospectus is not reliable, it has not been independently verified by us, none of our Directors, the Selling Shareholders and the BRLMs, any of its affiliates or advisors make any representation as to its accuracy or completeness. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 23.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “goal”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “should”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our growth and expansion strategies, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally and changes in competition in our industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Our inability to enter into or maintain strategic relationships with MNOs;
- Failure, defects, delays and other problems involving the technology systems and infrastructure on which we rely for providing our services and solutions to our clients;
- Our inability to continue to make strategic acquisitions to grow our business and further diversify service offerings;
- Our dependence on our key personnel, including our Directors and senior management;
- Any inability to respond to changing conditions of market participants;
- Exchange rate fluctuations in various currencies in which we do business; and
- Slowdown in economic growth in India or the other countries in which we operate.

For further discussion on factors that could cause our actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 23, 118 and 311, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, Promoters, Directors, the Selling Shareholders, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company and the BRLMs will ensure that investors are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholders will, severally and not jointly, ensure that investors are informed of material developments in relation to statements and undertakings made by them in relation to themselves and their respective portion of the Equity Shares in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

## SUMMARY OF THIS DRAFT RED HERRING PROSPECTUS

Unless otherwise stated or the context otherwise requires, references in this section to “we”, “our” or “us” refers to our Company. This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This section should be read in conjunction with the sections titled “Risk Factors”, “Our Business”, “Industry Overview”, “Capital Structure”, “Outstanding Litigation and Material Developments” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 23, 118, 110, 348 and 316, respectively, as well as the Restated Financial Statements included in “Financial Information” beginning on page 189.

### Summary of primary business

We provide cloud-communication platform as a service (“CPaaS”) to enterprises, over-the-top (“OTT”) players and mobile network operators (“MNOs”). Our range of enterprise communication services include A2P / P2A / 2Way Messaging, Rich Communication Services (“RCS”), OTT business messaging, voice, email, and omni-channel communication. Further, we also offer SMS analytics, firewall, filtering and monetization, SMS hubbing and Instant Virtual Number (“IVN”) solutions to MNOs across the globe.

For further details, see “Our Business” beginning on page 118.

### Summary of industry

Cloud communication is an entirely new way to build, deploy, and scale enterprise communications systems. It includes, but is not limited to Voice over Internet Protocol or VoIP, Communication as a Service or CaaS and Unified Communications or UC. It offers enterprises cost-effective communications solutions that combine voice, messaging and data communication services over networks of telecom operators or MNOs. As per Juniper Reports, there are expected to be 7.72 billion mobile subscribers globally at the end of 2017, that are projected to grow at a CAGR of 2.5% to 8.74 billion by 2022.

For further details, see “Industry Overview” on page 110.

### Our Promoters

Our Promoters are Sandipkumar Gupta and Rajdipkumar Gupta.

### Offer Size

The following table summarizes the details of the Offer size:

Offer	Up to [●] Equity Shares aggregating to ₹ 6,000.00 million
Of which:	
1) Fresh Issue <sup>1)</sup>	Up to [●] Equity Shares aggregating up to ₹ 2,400.00 million
2) Offer for Sale <sup>2)</sup>	Up to [●] Equity Shares aggregating up to ₹ 3,600.00 million
1) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on September 12, 2019 and by our Shareholders pursuant to a resolution passed at the EGM held on September 13, 2019.	
2) The Selling Shareholders have specifically confirmed that their respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures” beginning on page 358.	

### Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Object	Amount (in ₹ million)
Repayment or pre-payment, in full or part, of certain borrowings of our Company	369.00
Acquisitions and other strategic initiatives	830.00
Purchase of office premises in Mumbai	650.00
General corporate purposes*	[●]
<b>Net Proceeds*</b>	<b>[●]</b>

\*To be finalised upon determination of the Offer Price. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.

#### Aggregate Pre-Offer Shareholding of our Promoters/ the Selling Shareholders and Promoter Group

Name of Shareholder	Number of Equity Shares held	Percentage of the pre- Offer issued, subscribed and paid- up Equity Shares capital (%)
Promoters/ Selling Shareholders*	28,800,000	57.60
Promoter Group	19,200,000	38.40

\* Our Promoters are the Selling Shareholders.

#### Summary of Restated Financial Statements

The table below sets forth a summary of the Restated Financial Statements for Fiscal 2019, 2018 and 2017:

Particulars	(in ₹ million, except earnings per share and net asset value per Equity Share)		
	Fiscal		
	2019	2018	2017
Equity Share capital	500.00	500.00	500.00
Net worth	2,228.24	1,706.77	1,268.65
Total Revenue	8,523.77	5,094.85	4,648.32
Net Profit after tax	557.47	473.25	606.94
Earnings per share (Basic)	11.43	9.70	12.14
Earnings per share (Diluted)	11.43	9.70	12.14
Net asset value per Equity Share	44.56	34.14	25.37
Total Borrowings	790.53	841.72	184.86

For further details see “Financial Statements” beginning on page 189.

#### Qualifications of the Auditor

There were no auditor qualifications which required corrective adjustments and which have not been given effect to in the Restated Financial Information.

#### Summary of Outstanding Litigation

A summary of outstanding legal proceedings involving our Company, our Promoters, our Directors, and our Subsidiaries as on the date of this Draft Red Herring Prospectus is set forth in the table below:

Nature of Cases	Number of Cases	Amount Involved* (in ₹ million)
<b>Proceedings against our Company</b>		
Criminal	Nil	-
Tax	8	523.29
Other pending litigation	Nil	-
<b>Proceeding by our Company</b>		
Criminal	Nil	-

<b>Nature of Cases</b>	<b>Number of Cases</b>	<b>Amount Involved* (in ₹ million)</b>
Other pending litigation	1	-
<b>Proceedings against our Directors</b>		
Criminal	Nil	-
Tax	Nil	-
Other pending litigation	Nil	-
<b>Proceedings by our Directors</b>		
Criminal	Nil	-
Other pending litigation	Nil	-
<b>Proceedings against our Promoters</b>		
Criminal	Nil	-
Tax	Nil	-
Other pending litigation	Nil	-
<b>Proceedings by our Promoters</b>		
Criminal	Nil	-
Other pending litigations	Nil	-
<b>Proceedings against our Subsidiaries</b>		
Criminal	Nil	-
Other pending litigations	Nil	-
Tax	12	285.22
<b>Proceedings by our Subsidiaries</b>		
Criminal	Nil	-
Other pending litigations	Nil	-

\* To the extent quantifiable.

For further details on the outstanding litigation involving our Company, Promoters, Directors and Subsidiaries, see “*Outstanding Litigation and Material Developments*” on page 348.

## **Risk Factors**

Please see “*Risk Factors*” on page 23.

## **Summary of Contingent Liabilities**

Set forth below is a summary of our contingent liabilities as at March 31, 2019, indicated in the Restated Financial Statements:

<b>Particulars</b>	<b>Amount (in ₹ million)</b>
Contingent Liabilities	
Income tax matters	Nil
Service tax matters	562.28
Guarantees given on behalf of the group by banks	61.07
<b>Total</b>	<b>623.35</b>

For further details on the contingent liabilities, see “*Financial Statements*” beginning on page 189.

## **Summary of related party transactions**

Set forth below is a summary of related party transactions for the last three financial years:

<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Purchase of message services	2,835.61	615.31	684.45
Sale of message services	217.48	69.22	19.13

(in ₹ million)

<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Business Promotion	-	-	0.63
Travelling and conveyance expense	18.67	19.34	13.26
Professional services received	9.00	-	-
Technical and support services	94.18	229.26	119.92
Balances written off	-	1.81	-
Expenses reimbursed by other company	0.37	2.30	0.58
Expenses reimbursed to other company/others	3.72	0.60	0.70
Rental Income	0.36	2.04	0.10
Rental Expense	-	2.16	-
Investment in Subsidiary	0.07	99.33	134.66
Advance given	-	1.03	28.08
Receipt of advance given	-	1.03	-
Refund of advance towards purchase of Flat	-	26.02	-
Loans given to related party	84.63	362.28	-
Amount received on behalf of others	5.44	1.33	-
Interest Income on Loan	14.08	9.82	-
Loan repaid by related party	17.95	107.70	-
Interest paid by related party	15.45	-	-
Remuneration to Directors*	4.50	9.20	29.20
Remuneration to KMP*	6.33	3.09	1.57
Directors Sitting fees	1.09	0.69	0.29
Loans taken from related parties	-	67.50	-
Loans repaid to related parties	9.28	58.22	-
Provision for doubtful debts	-	2.67	-
Dividend Paid	72.00	75.00	-
Issue of bonus shares	-	-	299.99
Salaries, wages and bonus	-	-	1.20
Dividend received	-	-	355.40
Server Charges	1.24	1.33	-
Corporate social responsibility expenses	2.50	-	-
Staff welfare expenses	-	1.50	-

*\*Gratuity liability and compensated absences are determined for the Company as a whole. Therefore, the same cannot be disclosed for the key managerial personnel separately*

For further details of our related party transactions, see “*Financial Statements*” beginning on page 189.

### **Financing Arrangements**

None of our Promoters, members of the Promoter Group, Directors or their relatives have entered into any financing arrangements to finance or have financed the purchase by any other person of the Equity Shares other than in the normal course of business of the financing entity during the six months preceding the date of this Draft Red Herring Prospectus.

### **Weighted average price at which the Equity Shares were acquired by our Promoters / the Selling Shareholders in the last one year**

Not applicable as our Promoters/ the Selling Shareholders have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

**Average cost of acquisition of the Equity Shares by our Promoters / the Selling Shareholders**

The average cost of acquisition per Equity Share by our Promoters / Selling Shareholders as on the date of this Draft Red Herring Prospectus is:

<b>Name</b>	<b>Number of Equity Shares held</b>	<b>Average cost of acquisition per Equity Share (in ₹)</b>
Sandipkumar Gupta	14,400,000	0.01
Rajdipkumar Gupta	14,400,000	0.01

*\* As certified by M/s. Ramanand and Associates, Chartered Accountants, pursuant to certificate dated September 30, 2019.*

**Pre-Offer Placement**

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an aggregate amount not exceeding ₹1,000.00 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer Size constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company.

**Issue of Equity Shares for consideration other than cash in the last one year**

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus:

**Split or consolidation of Equity Shares in the last one year**

There has been no split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.



## SECTION II - RISK FACTORS

*Any investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any one or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examinations of us on a consolidated basis and the terms of the Offer, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. For further information, see “Our Business”, “Industry Overview”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 118, 110, and 316, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.*

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. Please see “Forward Looking Statements” on page 17.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the 12 months ended March 31 of that year.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Financial Information” on page 189.*

*In this section, unless the context otherwise requires, a reference to the “Company” is a reference to Route Mobile Limited on a standalone basis, while any reference to “we”, “us” or “our” refers to Route Mobile Limited and its Subsidiaries, as applicable in the relevant fiscal period, on a consolidated basis.*

### **Risks Related to our Company and our Industry**

- 1. We depend in part on the success of our strategic relationship with third parties, particularly our direct relationships with mobile network operations (“MNOs”). Our inability to enter into or maintain such relationships, particularly with MNOs may adversely affect our business, financial condition and results of operations.***

We are dependent on our arrangements with third parties and MNOs in particular for connectivity in various regions around the world to provide our services to our clients. Further, in certain regions where we are unable to provide services and solutions in a cost efficient manner and in the absence of such relationships, we rely on indirect relationships with MNOs. Our business depends on the continuity of our relationship with these MNOs. As of July 31, 2019, we had direct relationships with over 240 MNOs and provide our enterprise clients with access to over 800 mobile networks. While the number of subscribers and the volume of messages have grown and continue to grow, we may not be able to maintain, identify or secure suitable relationships with MNOs. In addition, consolidation in the telecommunication industry may adversely impact the number of direct or other relationships that we are able to establish with MNOs. We may also not be able to maintain sufficient volumes in order to develop or sustain such relationships with MNOs. If we are unable to establish or maintain direct or other relationships with MNOs on the existing terms and conditions or the current commercial arrangement, or if MNOs terminate their agreements with us, we may be unable to attract new clients, which could have a significant impact on our reputation and profitability, and in turn, could have an adverse impact on our business, financial condition and results of operations. Further, we may be required to enter into new agreements or addendums to existing agreements with MNOs in order to secure

connectivity to the mobile networks, and there can be no assurance that MNOs will agree to these new agreements or addendums or that we will be able to negotiate new agreements or addendums on favorable terms.

Additionally, as a service provider to MNOs, we may be asked to assist and respond to issues or problems that our MNO clients experience. In case we are unable to respond to these issues or problems, these MNOs may terminate their agreements with us or suspend our services which could result in an adverse impact on our relationships and reputation with these MNOs and could have a significant effect on our ability to provide services and solutions in the future and negotiate new direct relationships with these MNOs.

**2. *Failures, defects, delays and other problems involving the technology systems and infrastructure on which we rely for providing our services and solutions to our clients may adversely affect our business, financial condition and results of operations.***

We rely on various technology systems and infrastructure in providing our services and solutions to our clients. Our business could be interrupted by any damage to or the failure of our technology systems, infrastructure, hardware and software or impact of any failure of the networks, technology systems, infrastructure, hardware and software. Our systems and infrastructure are also vulnerable to damage and interruption from, among other things, power loss, transmission cable cuts and other telecommunication failures, natural disasters, computer viruses and software defects and errors by our employees or service providers. System failures or delays could disrupt our ability to provide our services and solutions through our communications platform, which could result in a loss of revenue from our current and potential clients as well as adversely impact our business operations and our reputation.

Defects in functionality or interruptions in the availability of our services and solutions, including user error, could result in a loss of or delayed market acceptance and use of our services and solutions, diversion of development and client service resources or result in a suspension of our services or termination of our agreements leading to a loss of revenue. Further, the availability or performance of our services and solutions could be adversely affected by a number of factors, including inability of our clients' to access the network of their MNOs, the mobile signal and connectivity of our clients' end-users, the failure of our technology systems and infrastructure, security breaches or variability in clients traffic volumes. In addition to potential liability, if we experience interruptions in the availability of our services and solutions, our reputation may be adversely affected, which could result in loss of clients and in turn, could have an adverse effect on our business, financial condition and results of operations.

In addition, costs incurred in correcting any material failures, defects, delays, errors or other problems involving our technology systems and infrastructure or our services and solutions may be substantial and could have an adverse effect on our business, financial condition and results of operations.

**3. *Our Company, in the past, has delayed in complying with reporting guidelines under the provisions of the Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 and we may be subject to regulatory action by RBI.***

Our Company, in the past, has faced instances of delay in complying with the reporting requirement at the time of making an investment into our overseas subsidiaries, namely, Form ODI and annual performance report with RBI under the provisions of the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2000, as amended ("**FEMA 20**"), in relation to an investment made in September, 2014 into our Subsidiary, Routesms Solutions Nigeria Limited and in August, 2013 into our Subsidiary, Routesms Solutions FZE. In accordance with FEMA 20, we were required to submit Form ODI with the RBI at the time of making an investment into our overseas subsidiaries and subsequently every year annual performance report on or before December 31. However, our Company did not submit Form ODI with RBI at the time of making abovementioned investment in the respective Subsidiaries and to ensure compliance with such conditions, our Company had submitted applications dated January 16, 2018 to the authorised dealer bank for onward filing with RBI in relation to an investment made in September, 2014 into our Subsidiary, Routesms Solutions Nigeria Limited and subsequently, RBI vide its letter dated September 14, 2018 ratified the transaction. In respect to our investment into our Subsidiary, Routesms Solutions FZE in August 2013, our Company has submitted applications dated January 16, 2018 and December 10, 2018 to the authorised dealer bank for onward filing with RBI and the RBI took it on the record on May 16, 2019.

While no penalties have been imposed on our Company or our Subsidiaries in this regard, we cannot assure you that RBI or other regulatory authorities will not impose any penalty on us or will not take any penal action in relation to the delays in submitting Form ODI and annual performance report with RBI or the failure to obtain regulatory approvals under applicable regulations. In the event that any adverse actions are taken against us, our results of operations and profitability could be adversely affected.

**4. Our Company and Subsidiaries are involved in certain legal and other proceedings. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have a material adverse effect on our financial condition and results of operations.**

Our Company and Subsidiaries are currently involved in a number of legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, tax matters, actions by regulatory/ statutory authorities and other material outstanding litigations against our Company and Subsidiaries have been set out below.

<b>Nature of Cases</b>	<b>Number of Cases</b>	<b>Amount Involved* (₹ million)</b>
<b>Proceedings against our Company</b>		
Criminal	Nil	-
Tax	8	523.29
Other pending litigation	Nil	-
<b>Proceeding by our Company</b>		
Criminal	Nil	-
Other pending litigation	1	-
<b>Proceedings against our Directors</b>		
Criminal	Nil	-
Tax	Nil	-
Other pending litigation	Nil	-
<b>Proceedings by our Directors</b>		
Criminal	Nil	-
Other pending litigation	Nil	-
<b>Proceedings against our Promoters</b>		
Criminal	Nil	-
Tax	Nil	-
Other pending litigation	Nil	-
<b>Proceedings by our Promoters</b>		
Criminal	Nil	-
Other pending litigations	Nil	-
<b>Proceedings against our Subsidiaries</b>		
Criminal	Nil	-
Other pending litigations	Nil	-
Tax	12	285.22
<b>Proceedings by our Subsidiaries</b>		
Criminal	Nil	-
Other pending litigations	Nil	-

\* To the extent quantifiable.

For further information, see “Outstanding Litigation and Material Developments” on page 348.

Decisions in any of the aforesaid proceedings adverse to our interests may have an adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company or Subsidiaries, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

5. ***Our acquisitions are subject to various risks, including risks relating to the integration of these acquired businesses with our existing operations. We may in the future continue to make strategic acquisitions to grow our business and further diversify service offerings. An inability to identify, complete and successfully integrate such acquisitions could adversely affect our business prospects, results of operations and financial condition.***

We have in past announced and completed a number of acquisitions in India and other jurisdictions to grow our business, expand our business segments and service offerings, and diversify our revenue streams. For further information, see “Our Business – Acquisitions and Strategic Investments” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Presentation of Financial Information – Acquisitions and Investments” on pages 118 and 316, respectively. For instance, on September 21, 2017, we entered into definitive agreements relating to the acquisition of 365squared (such acquisition, the “**365squared Acquisition**”). Our business and operations are subject to various risks relating to the 365squared Acquisition. While we believe that the 365squared Acquisition has resulted in the expansion of our mobile operator segment, there may be infirmities or irregularities in the operational and financial reporting procedures or in compliance with regulatory and other requirements by 365squared, and we may be subject to unforeseen risks, liabilities and obligations in this regard. We may also be required to expend significant management and other resources to ensure that the operational and financial reporting standards followed by 365squared are integrated to those followed in our existing operations. For further information on the 365squared Acquisition, see “History and Certain Corporate Matters – Acquisition of 365squared Limited” on page 146. As a result, our business and operations are subject to various risks arising out of the 365squared Acquisition and other acquisitions and investments.

We further continue to evaluate inorganic growth opportunities consistent with our business strategy of diversifying our service offerings and geographic presence while providing integrated business services to our clients. However, such proposed acquisitions may be subject to receipt of relevant approvals. There can be no assurance that we will be able to obtain such approvals in a reasonable timeframe, or at all. There can be no assurance that we will be able to successfully integrate the acquired businesses into our existing operations or achieve economies of scale. Our acquisition strategy involves various risks and challenges, including the diversion of management’s attention from our business operations; the potential loss of key employees and clients of the acquired businesses; potential disruption of business relationships with current clients; uncertainties that may impair our ability to attract, retain and motivate key employees; issues relating to management and integration of operations; potential deficiencies in financial control and statutory compliance at the acquired companies; an increase in our expenses and working capital requirements; a failure to achieve cultural compatibility and other benefits expected from an acquisition; and exposure to unanticipated liabilities of the acquired companies. An inability to integrate or manage these acquired businesses or entities may result in increased costs and adversely affect our results of operations.

We may not have any recourse against the entities from which we acquired these entities in connection with any loss that may arise out of such acquisitions. We may be adversely impacted by liabilities that we assume from our acquisitions, including known and unknown obligations, intellectual property or other assets, terminated employees, current or former clients, or other third parties, and we may fail to identify or adequately assess the magnitude of certain liabilities, shortcomings or other circumstances prior to acquisition, which could result in unexpected legal or regulatory exposure, unfavourable accounting treatment, unexpected increases in taxes, or other adverse effects on our business.

In addition, we may require additional financial resources for the successful expansion or reorganization of these recently acquired businesses and integrating their operations into our operations. An inability to raise adequate finances in a timely manner and on commercially acceptable terms for the expansion, reorganization or integration of these businesses with our existing operations could materially and adversely affect our business, results of operations and financial condition.

In connection with any such acquisition or investment, we may incur debt, amortization expenses relating to intangible assets, large and immediate write-offs, assume liabilities or issue shares as payment for the acquisition that would dilute our current shareholders’ percentage of ownership. If we are not able to realize the anticipated benefits or the expected return on our investments or acquisitions, or are unable to complete acquisitions or integrate the operations, software, technologies or personnel gained through any such acquisition, it could have an adverse effect on our business, financial condition and results of operations.

An inability to identify, complete and successfully integrate any acquired businesses into our operations, may affect our growth strategy, market share, profitability, or competitive position.

**6. *We face a risk from potential claims resulting from client's misuse of our platform to send unauthorized text messages in violation of TRAI regulations.***

Text messages may subject us to potential risks, including liabilities or claims relating to regulatory regime in the various geographies in which we operate. The scope and interpretation of the laws that are or may be applicable to the delivery of text messages are continuously evolving and developing. For instance, the Securities and Exchange Board of India had issued a summon dated September 26, 2017 to our Company in the matter of “trading of certain entities in the scrip of Supreme Tex Mart Limited” and requested our Company to furnish certain documents and clarifications in this regard. Our Company by its letter dated October 4, 2017 has responded to the queries raised by SEBI and has additionally submitted the supporting documents. Further, SEBI issued a summon under Section 11(2) and 11C(5) of the Securities and Exchange Board of India Act, 1992 on July 11, 2018, to the Officials of our Company to appear before the investigating authority in connection with the investigations instituted by SEBI by an order dated March 7, 2017 in the case of Supreme Tex Mart Limited. SEBI has also sought various information with regard to customers of the Company including M/s. Cloud SMS Mobile, Web 10 Technologies and Future Fintrade who use our Company's platform to distribute messages through their main distributor who ultimately sent the messages to the operator for delivery of messages to the ultimate end-users. SEBI by its order dated March 5, 2019 imposed a monetary penalty against the noticees in the abovementioned matter for impounding the unlawful gain in the scrip of Supreme Tex Mart Limited. Further, SEBI by its order dated July 11, 2019 noted that the investigation in the matter has been completed and no adverse remark was issued against our Company. For further information, see “*Outstanding Litigation and Material Developments*” on page 358.

If we do not comply with these laws or regulations or if we become liable under these laws or regulations due to the failure of our clients to comply with these laws by obtaining proper consent, we could face claims which may adversely affect our business and results of operations. Further, we use our communications platform to provide services and solutions to clients. Any misuse of our communications platform or interruptions or failures of our platform, due to terrorist activity or any other reason, and the resulting threat to national security or mass miscommunication, could have an adverse impact on our business, results of operations and financial condition.

**7. *Inability to comply with laws and regulations which impact our clients could adversely affect our business and results of operations.***

As a service provider, we must adapt to regulatory changes applicable in various industries in which our clients operate, and we are thus exposed to risks arising from regulations that impact our clients. The telecommunications industry in which our clients operate is subject to extensive government regulation. The Government of India along with the TRAI regulate many aspects of the telecommunications industry in India. Increased regulation or changes in existing regulation may require us to change our business policies and practices and may increase the costs of providing services to clients, which could have a material adverse effect on our financial condition and results of operations. The extensive regulatory structure under which our clients operate could constrain their flexibility to respond to market conditions, competition or change in their cost structure, and thereby adversely affect them. Changes in regulations impacting our clients may require us to adjust our systems, software or operations in order to continue to provide services to our existing clients or to qualify for required certifications or fulfill regulatory standards, which could result in an increase in research and development costs and other costs, and may have an adverse effect on our business, financial condition and results of operations.

**8. *Our contingent liabilities which have not been provided for in our financial statements, if materialize, may impact our financial condition.***

As of March 31, 2019, we had ₹ 623.35 million of contingent liabilities.

For further information, see “*Management's Discussion and Analysis of Financial Condition and Results of Operations - Contingent Liabilities and other Off-Balance Sheet Arrangements*” and “*Financial Information*” on pages 343 and 189, respectively. Any or all of these contingent liabilities may become actual liabilities. In the event

that any of our contingent liabilities materialize, our business, financial conditions and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current financial year or in the future.

**9. *We operate in a highly evolving market and any inability to respond to such changing conditions could adversely affect our business and results of operations.***

The markets in which we operate are highly competitive and subject to frequent changes due to technological improvements and advancements, availability of new or alternative services and changing client preferences and demands, and can require significant investment in research and development by market participants. We expect competition to intensify further, as new entrants emerge in the industry due to the opportunities available and as existing competitors seek to expand their services. Consolidation among our competitors may also leave us at a competitive disadvantage. In addition, as we expand into international markets, we will increasingly compete with local and global providers of messaging services and telecommunications value added services.

We depend on our ability to adapt to the rapidly changing market by improving the features and reliability of our existing services and solutions, and by successfully developing, introducing and marketing new features, services, solutions and applications to meet client demands. We may not be able to successfully adapt to changes in the market or respond successfully or adequately to meet market demands in a cost-effective and timely manner or at all. Any failure by us to adapt to changes in the market or respond quickly, successfully or adequately to new or changing opportunities, technologies, standards or client demands could impair our ability to compete and retain clients, which could have an adverse effect on our business, financial condition and results of operations.

Further, our industry is characterized by fragmented and highly competitive market participants. Some or all of our competitors may have advantages over us, which include substantially greater financial resources, stronger brand recognition, longer operating histories, larger marketing budgets, broader geographic presence and more extensive relationship with clients and thus may be able to respond more quickly and effectively to new or changing opportunities, technologies, standards or clients demands than us.

Increased competition may result in pricing pressure and force us to lower the selling price of our services or cause a loss of business. In addition, our competitors may offer new or different services in the future which are more popular than our current services. If we are not successful as our competitors in our target markets, our sales could decline, or margins could be negatively impacted and we could lose market share, any of which could materially harm our business.

**10. *We face foreign exchange risks that could adversely affect our results of operations and cash flows.***

Although our reporting currency is in Indian Rupees, we transact a significant portion of our business in several currencies other than Indian Rupees including Euro, U.S. Dollar, AED, Naira and Cedi, Pound Sterling and Singapore Dollar. In Fiscal 2017, 2018 and 2019, 58.53%, 56.78% and 67.58% of our Company's revenue from operations, respectively was derived from sales outside of India. Our operating expenses and costs are in Indian Rupees and other currencies including Euro, U.S. Dollar and Pound Sterling. Our total expenses in Fiscal 2017, 2018 and 2019 amounted to ₹ 3,832.85 million, ₹ 4,522.64 million and ₹ 7,869.09 million, respectively. The exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Indian Rupee against foreign currencies in which we do business can fundamentally affect our competitiveness in the long term. As our Restated Financial Statements are presented in Indian Rupees, such fluctuations could have a significant impact on our reported results.

We undertake certain exchange rate hedging activities due to the size of our operations. Our wholly-owned subsidiary, 365squared has entered into a hedging forward contract and further, we may in the future implement hedging strategies to mitigate these risks. However, these hedging strategies may not eliminate our exposure to foreign exchange rate fluctuations and involve costs and risks of their own, such as ongoing management time and expertise, external costs to implement the strategy and potential accounting implications.

**11. *Any disruption in the supply of power, IT infrastructure and telecommunications lines to our facilities could disrupt our cloud communication platform services and subject us to additional costs.***

Any disruption in basic infrastructure, including the supply of power, could negatively impact our ability to provide timely or adequate services to our clients. We rely on telecom connectivity and other infrastructure providers to maintain communications between our various facilities globally. Telecom networks are subject to failures and periods of service disruption which can adversely affect our ability to maintain active communications among our facilities and with our clients. Such disruptions may cause harm to our clients businesses as well. We may not be covered for any claims or damages if the supply of power, IT infrastructure or telecom connectivity is disrupted. This could disrupt our cloud communication platform services and subject us to additional costs and have an adverse effect on our business, financial condition and results of operations.

***12. Our revenues depend on a limited number of clients and a loss of such clients could adversely affect our financial condition and results of operations.***

We are dependent on limited number of clients for a substantial portion of our revenues. A reduction in the services we perform for such limited number of clients or the loss of a major client could result in a significant reduction in our revenue. Factors that may result in a loss of a client include our service performance, reduction in budgets due to macroeconomic factors or otherwise, shift in policies and political or economic factors or changes in their outsourcing strategies. We face significant competition in the services we provide our clients and we are typically not an exclusive service provider to our large clients. These factors may not be predictable or under our control. Significant pricing or margin pressure exerted by our clients could also adversely affect our business, financial condition and results of operations. Our largest client accounted for 5.73%, 6.49% and 19.86% of our revenue from operations in Fiscal 2017, 2018 and 2019, respectively. Our ten largest clients accounted for approximately 34.01%, 36.08% and 46.00% of our revenue from operations in Fiscal 2017, 2018 and 2019, respectively. The quantum of work we perform for our clients may vary from year to year. Thus, revenues generated from a particular client during a period may not be the same in any subsequent periods. Our clients may terminate their contracts with us, with or without cause, and with or without notice, at any time. If any one or more of our work orders or client contracts are terminated, our revenues and profitability could be materially and adversely affected.

***13. If we are unable to successfully protect our information technology infrastructure from actual or perceived security risk in a timely manner or at all, our business may be adversely affected.***

Our systems, like those of all businesses, are vulnerable to computer viruses, break-ins, software theft or destruction and similar disruptions from unauthorised tampering with our computer systems. We have data backup systems for all of our operations and checks and systems for ensuring network security against virus or other malignant attacks.

We always remain subject to third-party attempts and threats to breach our communications platform, software, network and data security and take advantage of other security vulnerabilities. Threats to our information technology security can take various forms, including viruses, worms, and other malicious software programs that attempt to attack our services and solutions and gain access to our computer networks and data centres. Persons who attempt to circumvent our information technology security may also launch targeted or coordinated attacks using novel methods. In addition, security threats may be caused by employee error or various means of unauthorized access to our internal systems or the data of our clients. Due to the rapidly evolving techniques used to obtain unauthorized access, or to sabotage systems, there is a risk that we will be unable to anticipate these techniques or to implement adequate preventative measures. These threats may result in breaches of our network or data security, disruptions of our service, solutions and internal systems, interruptions in our operations, harm to our competitive position from the compromise of confidential information or trade secrets, or otherwise harm our business. These third-party attempts and threats can result in the loss or corruption of our and our client data and may adversely impact our systems, operations and reputation, which could have an adverse effect on our business, financial condition and results of operations.

The agreements that we enter into with our clients for the engagement of our services have several contractual obligations including confidentiality, protection against security breach and insurance coverage. The engagements that we perform for our clients are often critical to our clients' businesses. If our client's proprietary rights are infringed by our employees in violation of any applicable confidentiality agreements and / or our clients perceive any deficiency in service, our clients may consider us liable for that act and seek damages from us. Our client contracts may require us to comply with certain security obligations including maintaining network security and back-up data, ensuring our network is virus free and verifying the integrity of employees that work with our clients by conducting background

checks. Any failure in our client's system or breach of security relating to the services we provide to the client could damage our reputation or result in a claim for substantial damages against us.

In addition, clients using our services and solutions rely on the security of our network and infrastructure for achieving reliable service and the protection of their data. We receive and communicate a significant amount of data from our clients, and there is a risk that this information will be subject to computer break-ins, theft and other improper activity that could jeopardize the security of information handled by our services and solutions or cause interruptions in our operations.

Further, since we handle substantial amount of third party information, including personal data, we are subject to numerous laws and regulations designed to protect this information, such as the privacy laws and other laws applicable to data protection in India and other jurisdictions where we operate. These laws and regulations are increasing in complexity and number, change frequently and sometimes conflict among the various countries in which we operate. If any person, including any of our employees, negligently disregards or intentionally breaches our established controls with respect to client or company data, or otherwise mismanages or misappropriates that data, we could be subject to significant monetary damages, regulatory enforcement actions, fines and/ or criminal prosecution in one or more jurisdictions. These monetary damages might not be subject to a contractual limit of liability or an exclusion of consequential or indirect damages and could be significant. Unauthorised disclosure of sensitive or confidential client or Company data, whether through systems failure, employee negligence, fraud or misappropriation, could damage our reputation and cause us to lose clients.

In addition, to the extent that our competitors are subject to the abovementioned attempts, threats, break-ins, theft and other improper activity, we may experience reduced clients trust and acceptance of our services and solutions and our reputation may be adversely affected.

Accordingly, any such actions, irrespective of whether successful in breaching our security controls, could expose us to litigation, loss of clients, damage to our reputation, or otherwise have an adverse effect on our business, financial condition and results of operations.

***14. Our global operations expose us to numerous risks, including sometimes conflicting legal and regulatory requirements, and violation of these regulations could adversely our business and results of operations.***

As of July 31, 2019, we have operations in 19 locations across four continents. As we continue to expand internationally, we are subject to numerous telecommunication and other laws and regulations in these countries. In Fiscal 2017, 2018 and 2019, 58.53%, 56.78% and 67.58% of our Company's revenue from operations, respectively was derived from sales outside of India. Since we provide services to clients across the world, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, tariffs, taxation, sanctions, government affairs, anti-corruption, anti-bribery, whistle blowing, internal and disclosure control obligations, data protection and privacy and labour relations and certain regulatory requirements that are specific to our clients' industries. In addition, certain of our services may be used by clients located in countries where voice and other forms of IP communications may be illegal or require special licensing.

Non-compliance with these regulations in the conduct of our business could result in termination of client contracts, fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and have an adverse impact on our reputation. Gaps in compliance with these regulations in connection with the performance of our obligations to our clients could also result in exposure to monetary damages, fines and/or criminal prosecution, unfavourable publicity, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Many countries also seek to regulate the actions that companies take outside of their respective jurisdictions, subjecting us to multiple and sometimes competing legal frameworks in addition to our home country rules. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights. We could also be subject to risks to our reputation and regulatory action on account of any unethical acts by any of our employees, partners or other related individuals.



In addition, changes in regulations could increase our costs and could potentially prevent us from delivering our services and solutions in a cost efficient manner. For example, in a number of countries, the interconnection rates charged for transmissions between service providers, MNOs and end-users are set and controlled by local regulators. If these regulators were to change the interconnection rates, we may be required to pay higher rates, which could increase the costs of delivering our services and solutions to our clients, and there is a risk that we may not be able to pass on the increase to our clients, which could have an adverse impact on our gross margin and pricing. In addition, regulators may impose price ceilings or controls on mobile communications and data usage, which could have a significant impact on our revenue and margins. Similarly, regulators may restrict the type of communication that is permitted, which can require us to adjust our services to comply with local regulations which in turn can increase the costs associated with conducting business in certain countries.

***15. Our revenues are highly dependent on clients primarily located in Asia, Europe and Africa. Any decline economic health of such regions could adversely affect our business, financial condition and results of operations.***

We have derived a substantial portion of our revenue from services offered to clients based in Asia, Europe and Africa. If the economic conditions in such regions becomes volatile or uncertain or the conditions in the global financial market were to deteriorate or if there are any changes in laws applicable to our services and operations or if any restrictive conditions are imposed on us or our business, the pricing of our services may become less favorable for us. Further, our clients located in these geographies may reduce or postpone their technology spending significantly which would adversely affect our operations and financial conditions. Any reduction in spending on cloud communication services may lower the demand for our services and negatively affect our revenues and profitability.

***16. The loss of services of our senior management could adversely affect our business and results of operations.***

We are dependent on the experience and the continued efforts of the senior members of our management team, many of whom have been with us for an extended period of time. Our growth strategy will place significant demands on our management and other resources because it requires us to continue to improve operational, financial and other internal controls, both in India and overseas. We are dependent on executives and key personnel, including competent sales force as well as technology professionals with a detailed knowledge of our business and industry. The loss in the services of the members of our senior management and other key team members, particularly to competitors, or our failure to otherwise retain the necessary management and other resources to maintain and grow our business, may have an adverse effect on our results of operations, financial condition and prospects.

Our future success and our ability to maintain our competitive position and implement our business strategy are dependent to a large degree on our ability to identify, attract, train and retain personnel with skills that enable us to keep pace with growing demands and evolving industry standards and on the continued service and performance of our senior management team and other key team members in our business units.

Qualified individuals are in high demand and competition for qualified engineers and personnel in our industry is intense, and we may incur significant costs to retain or attract them. We may not be able to retain our existing engineers or personnel or attract and retain new engineers and personnel in the future. Many well qualified candidates may be subject to contractual non-compete clauses which may restrict our ability to employ them.

***17. Deficiencies in or termination of services by third-party service providers such as network and server capacity providers or interruptions, failure to provide, delays or outages, may adversely affect our business, financial condition and results of operations.***

We partner with messaging infrastructure / hardware providers to support our cloud communication platform services. For our SMS filtering, analytics, and monetization, we partner with firewall hardware providers and value-add original equipment manufacturers for end-to-end solutions. Our business depends on the capacity, reliability and security of infrastructure owned and managed by such third-party service providers. We do not have control over the operation, quality or maintenance of such infrastructure or whether such third party service providers will upgrade or improve their infrastructure, software, equipment and services. In such cases, it could require us or our clients to invest time and resources in updating or improving software, APIs, equipment or services, and may result in interruptions or delays in the provision of our services and solutions. Further, interruptions or failures of such networks, whether due

to natural disaster, government policy, terrorist activity or any other reason, and the resulting reduction in transactions and communications processed by our communications platform for delivery via such networks, can have a significant impact on our revenue and could have an adverse effect on our business, financial condition and results of operations. We may experience interruptions, delays and outages in service and availability from time to time due to a variety of factors, including infrastructure changes, human or software errors and capacity constraints.

***18. Our inability to manage our technology systems and infrastructure or the services and solutions that we provide may adversely affect our business, financial condition and results of operations.***

We are required to keep pace with evolving technological advancements, client and small business user habits, internet security risks, risks of system failure or inadequacy, and governmental regulation and taxation, and each of these factors could adversely impact our business. In the event, we are unable to accurately predict and manage our technology systems and infrastructure requirements, including the capacity requirements with respect to our data centres, our existing or future clients may experience service outages resulting from the failure or disruption of our technology systems and infrastructure, which could adversely affect our reputation and business.

While we strive to maintain sufficient excess capacity to meet the needs of all our clients, there is a risk that we may not successfully manage our services and solutions or that our services and solutions will not remain effective while scaling to meet and address expanding client demands. If we are unable to provide our services and solutions at the scale required by our clients, potential clients may not adopt our offerings and existing clients may not renew their agreements, which could have an adverse effect on our reputation, business, financial condition and results of operations. If failures occur on our clients' multiple networks or software systems, it may be difficult for us to identify the source of the problem and to correct it on a timely basis or at all, in particular, as our clients generally use our services together with their own services and services from other vendors. The development of new solutions may impose a greater burden on our systems and may strain our administrative, operational and financial resources. Any of the foregoing problems could result in a loss of our revenue or adversely affect client relationships and business of our client, all of which could be detrimental to our business and reputation generally.

***19. All Indian companies, including our Company, are subject to a new accounting standard, Ind AS 116, effective April 1, 2019.***

The Ministry of Corporate Affairs ("MCA") has vide notification dated March 30, 2019 notified 'Ind AS 116 – Leases' and we are required to adopt Ind AS 116 from April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the consolidated statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. As per Ind AS 116, the lessee needs to recognise depreciation on right of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

We intend to apply Ind AS 116 to all contracts entered into prior to April 1, 2019 and identified as leases in accordance with Ind AS 116. As at April 1, 2019, we had discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring lease liabilities at ₹ 155.60 million and recognised right-of-use assets at ₹ 136.36 million and also adjusted retained earnings by ₹ 12.51 million (net of tax). Accordingly, the financial statements/information that we prepare in accordance with Ind AS 116 in the future may not be comparable with our historical financial statements, including our Restated Financial Statements included in this Draft Red Herring Prospectus.

For further information, see "Financial Information – Note 1 – Summary of Significant Accounting" on page 189. The governmental and regulatory bodies in India may continue to notify such new accounting standards, regulations and/or policies. There can be no assurance that any such changes in accounting standards, regulations or policies would not lead to different accounting methods, which may have an adverse effect on our business, financial condition and results of operations.

**20. *Our services contain open source software, and we license some of our software through open source projects. Any risks associated with open source software, if not addressed, could have a material adverse effect on our business, financial position and results of operations.***

We use open source software in some of our internal systems and technology platform. The terms of many open source licenses to which we are subject to have not been interpreted by domestic or foreign courts, and there is a risk that open source software licenses could be construed in a manner that impose unanticipated conditions or restrictions on our ability to provide or distribute our services or solutions. In addition, we may face claims from parties claiming ownership of, or demanding release of, the source code or derivative works that were developed using such software, or otherwise seeking to enforce the terms of the applicable open source license. These claims could also result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to change our platform, any of which could have a negative effect on our business and operating results. Further, open source licensors generally do not provide warranties or controls on the origin of software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a material adverse effect on our business, financial position and results of operations.

**21. *Competition in the market for cloud communication platform services could affect our pricing, which could reduce our share of business from clients and decrease our revenues and profitability.***

Our business model is predominantly based on a dynamic pricing model where we have an ability to change the prices offered based on prevailing market rates. The charges that we pay to network service providers over whose networks we transmit communications can vary from time to time and are affected by volume and other factors which may be outside of our control and difficult to predict. We use an indigenously developed platform to ascertain the cost efficient routes to transmit A2P messages on behalf of our clients. If we are not able to predict the most optimal route or modify prices, we may be unable to pass these increases to our clients, which could adversely affect our business, results of operations and financial condition.

Further, as competitors introduce new products or services that compete with ours or reduce their prices, we may be unable to attract new clients or retain existing clients based on our historical pricing. As we expand in newer geographies, we also must determine the appropriate price to enable us to compete effectively internationally. Moreover, enterprises, which are a primary focus for our direct sales efforts, may demand substantial price concessions. If we are not able to attract new clients or retain existing clients based on our historical pricing, our business, results of operations and financial condition could be adversely affected.

**22. *We may not be able to sustain our growth or manage such growth effectively or execute our business plan in the future in an effective timely manner or at all, which may adversely affect our business, financial position and results of operations.***

We have experienced rapid and significant growth in our operations and revenue in recent years. We were incorporated in 2004 and as of July 31, 2019, we have operations in 19 locations across four continents. Our total revenue increased at a CAGR of 35.87% from ₹ 4,575.81 million in Fiscal 2017 to ₹ 8,446.68 million in Fiscal 2019 in large part due to strategic acquisitions in the recent past. In addition, we are expanding our international operations, and we have recently established operations in 10 new countries since April 1, 2016. While these growth rates are not indicative of our future growth, we expect this growth to place significant demands on our management, administrative and operational infrastructure. Our profit for the year has decreased from ₹ 606.94 million in Fiscal 2017 to ₹ 557.47 million in Fiscal 2019.

Our success will depend on our ability to manage our growth effectively and will require us to continuously evolve and improve our operational, financial, management, and internal controls, and our reporting systems and procedures.

In particular, continued expansion increases the challenges involved in:

- recruiting, training and retaining sufficient skilled technical, sales and management personnel;
- adhering to high quality and process execution standards;
- maintaining high levels of client satisfaction;
- preserving our culture, values and entrepreneurial environment; and

- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.

Any inability to manage our growth in a timely manner or at all may have an adverse effect on our business, financial condition and results of operations and could result in decline of the price of our Equity Shares.

**23. *Failure to meet the level of performance in accordance with our contracts with clients could adversely affect our business, financial condition and results of operations.***

We use complex software and hardware systems for providing our services and solutions to our clients. Such software and hardware systems may suffer operational errors or performance problems. We have entered into contracts with some of our clients which contain provisions requiring us to maintain the services at or above certain minimum performance standards such as maximum A2P messages delivery times. Under these contracts, if we fail to meet the specified standards, we may be subject to liquidated damages or penalties, and in certain cases, termination of the contracts by our clients. We have in the past been subject to penalty claims by our clients. For instance, in May 2019 a penalty was imposed on us owing to failure or delay in delivery of messages for a particular client. We cannot assure you that in case any claims for damages are made by our clients, the limitations on liability we provide for in our service contracts will be enforceable, or that they will otherwise be sufficient to protect us from liability for damages.

**24. *Any inefficiencies in or failure of our billing and management information systems may adversely affect our business, financial condition and results of operations.***

Maintaining billing and client management information systems are critical to protect our ability to increase revenue streams, avoid revenue loss and bill our client accurately and in a timely manner. We expect new technologies and applications to create increasing demands on our billing and client management systems. Problems such as reconciliation of payments, revenue recognition and delayed payments will occur in the complexities involved in the process of billing and tracking payments by our clients. We are therefore required to expand and adapt our billing and credit control systems as we introduce new services and as our business expands. While we have not faced any material issues in the past, however, if adequate billing, credit control and client relation systems are unavailable or if upgrades or new systems are delayed or not introduced or integrated in a timely manner or at all, it could adversely affect our reputation, business, financial condition and results of operations.

**25. *Failure to offer client support in a timely and effective manner may adversely affect our relationships with our clients.***

From time to time, our clients require our support teams to assist them in using our services effectively, help them in resolving post-deployment issues quickly and in providing ongoing support. If we do not devote sufficient resources or are otherwise unsuccessful in assisting our clients effectively in a timely manner or at all, it could adversely affect our ability to retain existing clients and could prevent prospective clients from adopting our services. We may be unable to respond quickly enough to accommodate short-term increases in demand for client support. We also may be unable to modify the nature, scope and delivery of our client support to compete with changes in the support services provided by our competitors. Increased demand for client support, without corresponding revenue, could increase costs and adversely affect our reputation, business, results of operations and financial condition.

Our sales are highly dependent on our business reputation and on positive recommendations from our clients. While we have not faced any material issues in the past, however, any failure to maintain high-quality client support, or a market perception that we do not maintain high-quality client support, could adversely affect our reputation, business, results of operations and financial condition.

**26. *If the market for enterprise cloud communication platform services does not develop according to our expectations or declines, our business, results of operations and financial condition may be adversely affected.***

The market for enterprise cloud communication services and solutions is not as mature as the market for legacy communication solutions and these services may not achieve or sustain high levels of demand and market acceptance. Our success will, to a substantial extent, depend on the desire of enterprises to communicate with client, employees and connected things globally via cloud communications instead of through legacy communications solutions and on

the continued realization and development of new use cases by enterprise client. If enterprises do not perceive or realize the benefits of enterprise cloud communications services and solutions, the market for these services may not continue to develop, may decline or may not develop in the way we expect, which could have an adverse effect on our business, financial condition and results of operations.

**27. *Our growth and revenue is subject to volatility and seasonality.***

Our revenue is subject to volatility across quarters, primarily as a result of fluctuations in traffic volumes and usage of our cloud communication platform services by our enterprise clients. Most of our agreements with our enterprise clients require our enterprise clients to pay for services and solutions on a per A2P message and on a per voice pulse basis, and we generate revenue based on each transaction or communication processed through our cloud communication platform services. These agreements generally do not provide for fixed or minimum recurring payments or traffic volumes. As a result, our results are highly dependent upon the continued purchase of services and usage of our cloud communication platform services by our enterprise clients.

If our clients decide for any reason not to continue to pay for our services at current levels or at current prices, if we are unable to upsell or encourage our clients to expand their use of our services or solutions, if there is a period of reduced, limited or restricted usage of our services and solutions by our clients, our growth may be adversely affected and there could be significant revenue volatility for that respective reporting period and there is a risk that we will not receive any fixed or minimum recurring payments, which could have a significant and immediate material adverse effect on our business, financial position and results of operations.

Since our business is dependent on our enterprise clients globally and the operations of such clients may be seasonal in nature. The seasonal nature of the business of our clients may adversely affect our result of operations and financial condition.

**28. *Our sales cycle may become lengthier and more expensive and may be subject to implementation, customization and timing challenges and inability to respond to such challenges in an effective manner may adversely affect our business, financial condition and results of operations.***

As our business is currently targeted primarily at enterprise clients, we may face greater costs, longer sales cycles and less predictability in completing some of our sales. Generally, an enterprise client's decision to use our services is an enterprise-wide decision that requires a significant amount of our time and resources. For example, in certain cases, we may be required to provide prospective clients with greater levels of education regarding the use and benefits of our services, privacy and data protection laws and other regulations. In addition, larger clients may demand more customization, integration services and features, or may have existing systems in place that require more specialized software and APIs to access our services and solutions. As a result of these factors, sales opportunities may require us to devote greater sales support and professional services resources to individual clients, which can increase the costs and time required to complete these and other sales and may divert sales and professional services resources to a smaller number of larger transactions. In addition, to the extent that clients demand more customization, integration services and features, or require more specialized software and APIs, we may experience delays in revenue recognition from these transactions, pending resolution of the respective technical and implementation requirements. To the extent that the sales cycles for our enterprise clients become longer and more expensive, or require more customization, integration services and features, or specialized software and APIs, there could be an adverse effect on our business, financial condition and results of operations.

**29. *Our application for the registration of "Route Mobile" and "RouteSMS" trademark, logo and other trademarks are pending and the use of this or similar trade names by third parties may result in loss of business to such third parties, and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.***

We believe that our success depends, in part, on our brand image. We believe that our trademarks and other proprietary rights have significant value and are important to identifying and differentiating our business from those of our competitors and creating and sustaining demand for our services. We have applied for the registration of "RouteSMS" and "Route Mobile", with the Registrar of Trademarks on July 25, 2016, January 28, 2016 and December 28, 2017, respectively. We have also applied for registration of "Route Mobile Limited" as appearing on the cover page of this

Draft Red Herring Prospectus. We are yet to receive registration or final approval for use of such trademarks from the Registrar of Trademarks. For further information, see “*Our Business – Intellectual Property*” and “*Government and Other Approvals*” on pages 118 and 354, respectively. However, we cannot guarantee that any of our pending trademark applications will be approved by the applicable governmental authorities. Even if the applications are approved, third parties may seek to oppose or otherwise challenge these registrations.

Further, if we are not successful in registering our trademark we will not be entitled to the statutory protections. The trademark may be registered in the name of another entity, thereby preventing us from using the trademark and the logo. In the absence of a registered trademark, the redress available to us may be limited to relief for passing off of our marks by others which could negatively affect our brand image, goodwill and business. Litigation in relation to our intellectual property could be expensive and time consuming and could divert management resources.

**30. *Our statutory auditors have highlighted certain matters of emphasis to their audit report relating to our historical audited financial statements, which may affect our future financial results.***

Under Indian Auditing Standards, statutory auditors may include an emphasis of matter in their audit opinion under certain circumstances, including when a company's financial records have not been maintained in accordance with Ind AS. Our statutory auditors have included an emphasis of matter in their audit opinion relating to our financial statements for Fiscal 2018 and Fiscal 2019. Our statutory auditors have provided the basis for their opinion, primarily relating to procedural delays in filing of forms with the authorised dealer in relation to delays in payment and receipt of foreign currency receivables and payables for which an application for regularisation has been made. Further, our statutory auditors note that in relation to outstanding service tax liabilities raised by the Commissioner of CGST there is no provision for liability that has been recognised in the financial statements. For further information, see “*Management's Discussion on Financial Condition and Results of Operations*” on page 316 for details of these emphasis of matter statements. There can be no assurance that our statutory auditors will not include such matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such modification will not affect our financial results in future fiscal periods.

There can be no assurance that our statutory auditors will not include such matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such modification will not affect our financial results in future fiscal periods. Investors should consider these matters of emphasis and related remarks in evaluating our financial condition and results of operations. Any such modification in the auditors’ report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

**31. *We are subject to risks associated with expansion into new geographic regions.***

Expansion into new geographic regions subjects us to various challenges, including those relating to our lack of familiarity with the culture, local laws and regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. For example, we acquired 365squared in Malta with effect from October 1, 2017. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets.

By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including:

- compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation;
- foreign ownership constraints and uncertainties with new local business partners;
- local preferences and service requirements;
- fluctuations in foreign currency exchange rates;
- inability to effectively enforce contractual or legal rights and adverse tax consequences;
- differing accounting standards and interpretations;
- stringent as well as differing labour and other regulations;
- differing domestic and foreign customs, tariffs and taxes;

- exposure to expropriation or other government actions; and
- political, economic and social instability.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

**32. *If we do not develop enhancements to our services and introduce new services that achieve market acceptance, our business, results of operations and financial condition could be adversely affected.***

Our ability to attract new clients and increase revenue from existing clients depends in part on our ability to enhance and improve our existing services, increase adoption and usage of our services and introduce new services. The success of any enhancements or new services depends on several factors, including timely completion, adequate quality testing, actual performance quality, market-accepted pricing levels and overall market acceptance. Enhancements and new services that we develop may not be introduced in a timely or cost-effective manner, may contain errors or defects, may have inter-operability difficulties with our platform or other products or may not achieve the broad market acceptance necessary to generate significant revenue. We also have invested, and may continue to invest, in the acquisition of complementary businesses, technologies, services, products and other assets that expand the services that we can offer our clients. We may make these investments without being certain that they will result in services and products or enhancements that will be accepted by existing or prospective clients. Our ability to generate usage of additional services and products by our clients may also require increasingly sophisticated and more costly sales efforts and result in a longer sales cycle. If we are unable to successfully enhance our existing services to meet evolving requirements of clients, increase adoption and usage of our services products, develop new services and products, or if our efforts to increase the usage of our services are more expensive than we expect, then our business, results of operations and financial condition could be adversely affected.

**33. *Our indebtedness and the restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.***

As of September 25, 2019, we had total outstanding borrowings of ₹ 439.49 million. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions. These restrictive covenants *inter-alia* require us to obtain either the prior permission of such banks or financial institutions or require us to inform them of various activities, including, among others, alteration of our capital structure or raising of additional debt. In the event that we breach a restrictive covenant, our lenders could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew maturing borrowings as needed to conduct our operations and pursue our growth initiatives. Although we have received consents from our lenders for the Fresh Issue, these restrictive covenants may affect some of the rights of our Shareholders.

For further information, see “*Financial Indebtedness*” on page 313.

**34. *We propose to utilize a part of the Net Proceeds to undertake potential acquisitions for which the targets are yet to be identified.***

We propose to utilize ₹ 830.00 million from our Net Proceeds of the Fresh Issue towards acquisitions and other strategic investments. While, our Company, through investment in its wholly owned subsidiary Route Mobile (UK) Limited by way of either equity or debt, may utilize ₹ 475.00 million for the payment of Earn out amount pursuant to the acquisition of 365squared Limited, the remaining amount will be used for other potential acquisitions where the target is yet to be identified (“**Unidentified Acquisitions**”). As on date of filing this Draft Red Herring Prospectus, other than the Acquisition SPA and Supplemental Agreement, we have not entered into any definitive agreements towards any future acquisitions or strategic initiatives. The amount of Net Proceeds identified for acquisitions is based solely on management estimates. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of strategic initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, etc. With

increase in costs, our actual deployment of funds may exceed our estimates and may result in cost overrun and cause additional burden on our financial position. In the interim, the Net Proceeds proposed to be utilized towards this object shall be deposited only in the scheduled commercial banks as may be approved by our Board. For further information, see “Objects of the Offer” on page 84.

**35. *Our customers may develop in-house solutions and migrate part or all of the services that we provide them to these in-house solutions.***

Certain of our customers may choose to internally deploy certain functionality currently provided by our services which may lead to a loss of revenue streams from certain of our services as they will be able to meet their needs for these services in-house. If such customers develop in-house solutions or migrate the services that we provide to them, our business, results of operation and financial condition may be adversely affected.

**36. *If we are unable to implement our marketing strategy in a cost-effective timely manner or at all, then our business, results of operations and financial condition would be adversely affected.***

In order to grow our business, we must continue to attract new clients in a cost-effective manner. We use a variety of marketing channels to promote our services and platform, including conducting regional client events, email campaigns, billboard advertising and public relations initiatives. If the costs of the marketing channels we use increase dramatically, then we may choose to use alternative and less expensive channels, which may not be as effective as the channels we currently use. As we add to or change the mix of our marketing strategies, we may need to expand into more expensive channels than those we are currently in, which could adversely affect our business, results of operations and financial condition. We will incur marketing expenses before we are able to recognize any revenue that the marketing initiatives may generate, and these expenses may not result in increased revenue or brand awareness. If we are unable to maintain effective marketing programs, then our ability to attract new clients could be adversely affected, our advertising and marketing expenses could increase substantially and our results of operations may be adversely affected.

**37. *If we are unable to maintain and enhance our brand and increase market awareness of our Company and products, our business, results of operations and financial condition may be adversely affected.***

We believe that maintaining and enhancing the “Route Mobile” brand and “365squared” brand identities and increasing the market awareness about us and our services and solutions, particularly among MNOs and enterprise clients is critical to achieving widespread acceptance of our platform, to strengthen our relationships with our existing clients and to our ability to attract new clients. The successful promotion of our brand will depend largely on our continued marketing efforts, our ability to continue to offer high quality services and solutions and to successfully differentiate our services, products and platform from competing products and services. Our brand promotion activities may not be successful or yield increased revenue. In addition, independent industry analysts often provide reviews of our services and competing products and services, which may significantly influence the perception of our services in the marketplace. If these reviews are negative or not as strong as reviews of our competitors’ products and services, then our brand may be harmed.

The promotion of our brand also requires us to make substantial expenditures, and we anticipate that these expenditures will increase as our market becomes more competitive and as we expand into new markets. To the extent that these activities increase revenue, this revenue still may not be enough to offset the increased expenses we incur. If we do not successfully maintain and enhance our brand, then our business may not grow, we may see our pricing power reduced relative to competitors and we may lose clients, all of which would adversely affect our business, results of operations and financial condition.

**38. *If we are unable to collect our dues and receivables from our clients, our results of operations and cash flows could be adversely affected.***

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for services provided. We have a number of clients on a pre-paid business model where the client pays upfront allowing us to reduce the overall working capital cycle. In Fiscal 2018 and 2019, 41.77% and 24.99%, respectively, of our revenue from operations were prepaid. The standard terms of the agreements with our post-paid clients require



payments to be made within 30 – 60 days. Our average debtor cycle was 23 days, 47 days and 52 days in Fiscal 2017, 2018 and 2019, respectively. We maintain provisions against receivables. Actual losses on clients' balances could differ from those that we currently anticipate and as a result we might need to adjust our provisions. There is no guarantee that we will be able to accurately assess the creditworthiness of our clients. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues for client services also depends on our ability to complete our contractual commitments and subsequently bill for and collect our contractual dues. If we are unable to meet our contractual obligations including the service level requirements under our contracts, we might experience delays in the collection of, or be unable to collect, our balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

**39. *Consolidation amongst, or change of ownership of, our MNO clients may result in the loss of MNO clients or reduce our potential client base, which would negatively impact our financial performance.***

Consolidation among MNOs may reduce our potential client base or may negatively impact our ability to expand our client base or may result in the loss of our current MNO client. In addition, as fewer MNO client gain control of the subscriber market, pricing pressure is likely to increase and consequently, a change of ownership of our MNO client could also result in the loss of our current client if the new owners select another messaging service provider to provide messaging solutions. All of the foregoing could have an adverse effect on our business, financial condition and results of operations.

**40. *Indemnity provisions in our various business agreements potentially expose us to substantial liability for intellectual property infringement and other losses.***

Our agreements with our clients and other third-parties including MNOs typically include indemnification or other provisions under which we agree to indemnify or otherwise be liable to them for losses suffered or incurred as a result of claims of intellectual property infringement, damages caused by us, fraud or miscount by our employees or other liabilities relating to or arising from the use of our services or platform or content or other services provided by us or other acts or omissions. Further, in some of the agreement, the term of these contractual provisions often survives termination or expiration of the applicable agreement. Further, certain of our agreements with MNOs provide for a limit to the extent of their liability in case of any loss or damage in relation to the agreement, potentially further increasing our liability to third parties. Large indemnity payments or damage claims from contractual breach could harm our business, results of operations and financial condition. We may still incur substantial liability related to them. Any dispute with a client with respect to such obligations could have adverse effects on our relationship with that client and other current and prospective clients, reduce demand for our services and adversely affect our business, results of operations and financial condition.

**41. *MNOs operate in a highly regulated industry and the licences and the regulatory environment in which they operate are subject to change, which may indirectly adversely affect our operations.***

We are dependent on MNOs to provide us connectivity to be able to provide our services and solutions to our clients. The telecommunications industry is subject to extensive government regulation and licencing requirements. The extensive regulatory structure under which they operate could constrain their flexibility to respond to market conditions, competition or changes in cost structure. In addition, our MNOs are required to obtain a wide variety of approvals and licences from various regulatory bodies. We cannot assure you that such approvals will be granted on a timely basis or at all. Regulatory bodies in different jurisdictions may also revise regulations or policies related to MNOs in the telecommunications industry on terms which may not be favourable to our MNO counterparts or which may result in uncertainties with respect to their implementation. In addition, the licences which our MNO counterparts require to operate in the telecommunications industry reserve broad discretion to such regulatory authorities to influence the conduct of their businesses by giving them the right to modify at any time the terms and conditions of such licences, take over our MNO counterparts' networks and terminate, modify, revoke or suspend the licences in the event of default by such MNOs in complying with the terms and conditions of the licences. Any unfavourable

change in the regulatory environment may adversely affect the business, financial condition and prospects of our MNO counterparts and this may in turn have an adverse effect on our business and results of operations.

**42. *The confidential information or data of our MNO clients may be misappropriated by our employees and as a result, cause us to breach our contractual obligations in relation to such confidential information.***

We enter into confidentiality and non-disclosure agreements with our employees to limit access to and distribution of the confidential information made available to them during the course of employment. We cannot assure you that the steps taken by us will adequately prevent the disclosure of confidential information by an employee or a subcontractor or a subcontractor's employee and we may not have internal controls and processes to ensure that our employees comply with their obligations under such confidentiality and non-disclosure agreements. If the confidential information is disclosed by us or is misappropriated by our employees or subcontractors, our clients may raise claims against us for breach of our contractual obligations. The successful assertion of any claim may have an adverse effect on our business, financial condition and results of operations.

**43. *Our investments in technology, especially our research and development activities, may not yield the intended results in a timely manner or at all, which may adversely affect our financial condition and results of operations.***

We invest in and intend to continue investing in newer technologies, including, technologies to enhance our R&D capabilities, particularly with a view to enter into new businesses. Our focus areas include Internet of Things, big data analytics, artificial intelligence and machine learning. Our choice of focus areas and investments in technology and human capital for R&D are based on the management's perception of the messaging and cloud based communications industry. We cannot assure you that such investments will yield the intended results. Our inability to achieve intended results from our investments in R&D may adversely affect our financial position and results of operations.

**44. *Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.***

We will be required to renew permits and approvals in relation to our existing operations and obtain new permits and approvals for any proposed operations as may be required under the applicable laws of the sector or region that we are operating in. There can be no assurance that relevant authorities will renew or issue any of such permits or approvals in the time-frame anticipated by us or at all. Our failure to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

Compliance with many of the regulations applicable to our operations may involve incurring significant costs and otherwise may impose restrictions on our operations. We cannot assure you that we will not be subject to any adverse regulatory action in the future. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of our Company could be adversely affected. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of the terms and conditions stipulated under any of our licenses or permits, one or several of our licenses and certificates may be suspended or cancelled and we shall not be able to carry on the activities permitted thereunder. For further information, see "Government and Other Approvals" on page 354.

**45. *Our insurance coverage may not be adequate to cover all losses or liabilities that we may incur in our business and operations.***

Our operations are subject to various risks inherent in cloud communication industry as well as fire, theft, earthquake, flood, acts of terrorism and other events beyond our control. We maintain insurance policies customary for our industry to cover certain risks, including fire, burglary and other natural calamities. We provide group health insurance cover to employees and their immediate family members. In addition, we maintain insurance for vehicles owned by us. Our Company's insurance cover as on the date of March 31, 2019 is approximately ₹ 262.57 million in respect of its net block of property, plant and equipment which stood at ₹ 233.96 million as of March 31, 2019. Consequently our

Company's insurance cover as a percentage of its net block of property, plant and equipment as of March 31, 2019 was approximately 112.23%. For further information, see "Our Business – Insurance" on page 135.

Notwithstanding the insurance coverage that we carry, the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events not covered by insurance policies, could harm our financial condition, business and future results of operations. However, in some cases, we may not have obtained the required insurance coverage or such insurance policies may have lapsed. For instance, we currently do not maintain any insurance against cyber-crime, corporate general liability or key-man insurance. In addition, our insurance policies may not continue to be available on reasonable terms, at economically acceptable premiums, or at all. There can be no assurance that any claims filed will be honoured fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage.

**46. *Certain premises, including our Registered Office are not owned by us and we have only leasehold or leave and license rights over them. In the event we lose such rights, our business, financial condition and results of operations and cash flows could be adversely affected.***

Certain premises used by our Company have been obtained on a lease basis, including our Registered Office. We cannot assure you that we will be able to renew our lease agreements or enter into new agreements in the future, on terms favourable to us, or at all. In the event that any lease agreement is not renewed, we will be required to expend time and financial resources to locate suitable land or building to set up our operations. Also, we may be unable to relocate to an appropriate location in a timely manner, or at all, and we cannot assure you that a relocated office will be as commercially viable.

If a lease agreement is terminated, prior to its tenure or if it is not renewed, or if we are required to cease business operations at a property, for any reason whatsoever, our business, financial condition and results of operations may be adversely affected. Further, if the vacated property is leased or sold to a competitor, we may also face increased competition in that geographic area, which could adversely affect our market share. For further information on our properties, see "Our Business – Properties" on page 136.

**47. *We have entered into, and will continue to enter into, related party transactions. There is no assurance that our future related party transactions would be on terms favourable to us when compared to similar transactions with unrelated or third parties.***

We have entered into and may, in the course of our business, continue to enter into transactions with related parties including our Promoters, Subsidiaries and Group Companies in the future. Primarily these transactions include purchase of messaging services, travelling and conveyance, business promotion expenses, expenses reimbursed by and to other companies, rental income, advances to Promoters and remuneration to Directors and Key Managerial Personnel's. For instance, we purchased messaging services amounting to ₹ 101.80 million, ₹ 99.23 million and ₹ 1,207.80 million from Spectrum Technologies, a Promoter Group entity, in Fiscal 2017, 2018 and 2019, respectively. For further information on our related party transactions, see "Financial Information - Related Party Transactions" on page 189. While we believe that all such transactions have been conducted on an arm length's basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable commercial terms with other parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest which may be detrimental to our Company. Although in terms of the Companies Act, 2013, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

**48. *Our funding requirements and proposed deployment of the Net Proceeds of the Offer are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our Company intends to use the Net Proceeds for the purposes described in "Objects of the Offer" on page 84. Subject to this section, our management will have broad discretion on deployment of the Net Proceeds. Our Company proposes

to utilize ₹ 369.00 million from the Net Proceeds towards repayment or prepayment, in part or in full, of the existing loan facilities availed by our Company from YES Bank Limited and Kotak Mahindra Bank. In terms of the facility agreements entered by our Company with YES Bank Limited and Kotak Mahindra Bank, a consent from them is obtained.

Investors will be relying on our judgement of our Company regarding the application of the Net Proceeds. While a monitoring agency will be appointed in compliance with the SEBI ICDR Regulations for monitoring utilisation of Net Proceeds, our funding requirements and the proposed deployment of the Net Proceeds of the Offer are based on management estimates, quotations and our current business plan, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board.

***49. Certain of our Subsidiaries may have conflicts of interest as they are engaged in similar business and may compete with us.***

Certain of our Subsidiaries are authorized to engage in businesses similar to our business operations. For further information of such Subsidiaries, see section titled “*Our Subsidiaries*” on page 149. As a result, there may be conflicts of interest in allocating business opportunities between us and other Subsidiaries. There may also be conflicts of interest between our Subsidiaries and us in pursuing new contracts for cloud communication platform services. We have not entered into any non-compete agreements with our Subsidiaries. There can be no assurance that our Subsidiaries will not compete with our existing business or any future business that we may undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business. Any such present and future conflicts could have a material adverse effect on our business and financial performance.

***50. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***

Any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our shareholders, at their discretion, subject to our Dividend Policy, the provisions of the Articles of Association and applicable law, including the Companies Act. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our shareholders in future consistent with our past practices, or at all. For information relating to dividend declared by us in the past, see “*Dividend Policy*” on page 149.

***51. We face significant competition for highly skilled professionals, and our success depends in large part upon our ability to attract and retain these personnel. In Fiscal 2017, 2018 and 2019, our Company’s attrition rates were 21.57%, 24.82% and 40.32%, respectively. Any inability on our part to attract and retain our key managerial personnel and/or talented professionals may adversely affect our business and results of operations.***

Our ability to execute projects and to obtain new clients depends largely on our ability to attract, train, motivate and retain highly skilled software professionals. The attrition rates in the industry in which we operate have been high due to a highly competitive skilled labor market. In Fiscal 2017, 2018 and 2019, our Company’s attrition rates were 21.57%, 24.82% and 40.32%, respectively. We invest significant time and money in training the professionals that we hire to perform the services we provide. These professionals are often targeted by the lateral recruitment efforts of our competitors, and in some cases by our clients. We believe that there is also a significant competition in our industry among employers to attract software professionals with the skills necessary to perform the services we offer. In addition, we may have difficulty in redeploying and retraining our software professionals to keep pace with continuing changes in technology, evolving standards and changing client preferences. If we cannot hire and retain additional qualified personnel, our ability to bid on and obtain new projects may be impaired and our revenues could decline. In addition, we may not be able to expand our business effectively thereby affecting our revenues and profitability. For further information on our Key Managerial Personnel, see “*Our Key Managerial*” “*Our Management – Our Key*

*Managerial Personnel*” on page 176.

**52. *Our Promoters who are also our Directors and Key Managerial Personnel hold Equity Shares, and are, therefore, interested in our Company’s performance other than reimbursement of expenses incurred or normal remuneration of benefits.***

Our Promoters who are also our Directors and Key Managerial Personnel, have interests in our Company and Subsidiaries other than to the extent of normal remuneration or benefits and reimbursement of expenses incurred. For further information, see “*Our Management*” on page 163. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company.

**53. *Our Promoters and Promoter Group will continue to retain significant control in our Company, which will allow them to influence the outcome of matters submitted to shareholders for approval.***

As of the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group hold 96.00% of pre-Offer share capital of our Company. Furthermore, after the completion of this Offer, our Promoters will control, directly or indirectly our Company and continue to hold substantial percentage of the issued and paid up equity share capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company.

**54. *If there are delays or cost overruns in utilisation of Net Proceeds, our business, financial condition and results of operations may be adversely affected.***

We intend to utilise the Net Proceeds of the Offer as set forth in “*Objects of the Offer*” on page 84.

The fund requirement mentioned as a part of the objects of the Offer is based on internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. Furthermore, we may need to vary the objects of the Offer due to several factors or circumstances including competitive and dynamic market conditions, variation in cost structures, changes in estimates due to cost overruns or delays, which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Offer as disclosed in this Draft Red Herring Prospectus, would require a special resolution of our shareholders. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations.

In particular, we propose to deploy a certain portion of the Net Proceeds to purchase an office space with approximately 55,000 sq. ft. of useable area located in the vicinity of Malad and Goregaon suburbs in Mumbai by utilizing ₹ 650.00 million from the Net Proceeds. For further information, see “*Objects of the Offer*” on page 84. Any failure to acquire the aforesaid office space pursuant to a particular portion of the Net Proceeds, may lead to a failure in our attempt to reduce our lease rental costs and improve our operational efficiencies. Further, a delay in utilising the Net Proceeds to pay the Earn out amount in respect of the 365squared Acquisition will also have a material impact on our operations, business and financial condition.

At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

**55. *We have experienced negative cash flow in the last three Fiscals and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.***

We have experienced negative net cash flows in the past three Fiscals, the details of which are provided below:

(in ₹ million)			
Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Net cash generated from/(used in) operating activities	228.22	281.23	(594.32)
Net cash (used in) investing activities	(50.13)	(1,302.13)	(115.44)
Net cash (used in)/ generated from financing activities	(169.36)	464.44	141.40
Net (decrease) in cash and cash equivalents	58.87	(577.27)	(611.05)

For further information on the negative cash flows for the last three Fiscals, see “*Management Discussion and Analysis of Financial Condition and Result of Operations*” on page 316. We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

**56. *Industry information included in this Draft Red Herring Prospectus has been derived from industry reports. There can be no assurance that such third party statistical, financial and other industry data in this Draft Red Herring Prospectus may be complete or reliable.***

We have not independently verified data obtained from industry publications and other third party sources, including the ROCCO Report 2017, and Juniper Reports, referred to in this Draft Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from these industry reports. Although we believe that the data may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed and dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, any of the BRLMs or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

Further, this Draft Red Herring Prospectus contains certain statistical information relating to the cloud communication industry that is sourced from third parties. This information includes general market and industry data that is derived from both public and private sources, including market and industry data that is derived from both public and private sources, including market research, publicly available information and industry publications. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate in this Draft Red Herring Prospectus are subject



to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. Investors should exercise caution when relying upon such third-party information.

**57. *We have capital commitments to our Subsidiaries and any failure in performance, financial or otherwise, of our Subsidiaries in which we have made investment could have a material adverse effect on our business, prospects, financial condition and results of operations of our Company.***

Our Company has made and continues to incur capital investments and other commitments either at the company level or directly in its Subsidiaries for augmenting their respective businesses. These investments and commitments may include capital contributions to enhance the financial condition or liquidity position of our Subsidiaries. Our Company has made acquisitions and may make further capital investments in the future, which may be financed through additional debt, including through debt of our Subsidiaries. If the business and operations of these Subsidiaries deteriorate, our Company's investments may be required to be written down or written off. Additionally, certain advances may not be repaid or may need to be restructured or receivables may not be collected or our Company may be required to outlay further capital under its commitments to support such companies. For further information on our investments, outstanding advances to and receivables from our Subsidiaries as on March 31, 2019 refer to "*Financial Statements*" on page 189.

The obligation of our Company towards Subsidiaries is restricted to providing funding requirements in enhancing the business of its subsidiaries and providing credit support for various loans availed by them. Any failure in performance, financial or otherwise, of our Subsidiaries in which we have made investment could have a material adverse effect on our business, prospects, financial condition and results of operations of our Company.

**58. *Certain of our Key Managerial Personnel do not have documents evidencing certain information in relation to their past experience and/or educational qualifications.***

Certain of our Key Managerial Personnel do not have documents evidencing certain information in relation to their past experience and/or educational qualifications. Two of our Key Managerial Personnel, Rahul Pandey and Sharad Kumar, do not have certain documents evidencing certain of their educational qualifications and/or work experiences included in their biography under the section "*Our Management – Our Key Managerial Personnel*" beginning on page 176. Accordingly, in making such disclosures, we have relied on affidavits executed by Rahul Pandey and Sharad Kumar. We cannot assure you that such disclosure is true and accurate and that it does not have any inadvertent errors or omissions.

**59. *We or our counterparties may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.***

U.S. law generally prohibits or restricts U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries or territories and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions.

We have undertaken certain transactions with entities doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. Although we believe that we have compliance systems in place that are sufficient to block prohibited transactions, and we have not been notified that any penalties or other measures will be imposed on us, there can be no assurance that we will be able to fully monitor all of our transactions for any potential violation.

We can provide no assurances that our future business will be free of risk under sanctions implemented by these jurisdictions or that we will conform our business to the expectations and requirements of the United States authorities or the authorities of any other government that do not have jurisdiction over our business but nevertheless assert the right to impose sanctions on an extraterritorial basis. Further, investors in the Equity Shares could incur reputational or other risks as a result of our or our counterparties' dealings in or with countries or with persons that are the subject of U.S. sanctions. In addition, because many sanctions programs are evolving, new requirements or restrictions could come into effect which might increase regulatory scrutiny of our business or result in one or more of our business activities being deemed to have violated sanctions, or being sanctionable.

**60. *Some of our Group Companies and Subsidiaries have incurred losses in the preceding three financial years, based on their last audited financial statements available.***

Some of our Group Companies and Subsidiaries have incurred losses in the preceding three financial years, based on their audited financial statements available. For further information on our loss making Group Companies, see “*Group Companies – Loss making Group Companies*” on page 186. For further information, see “*Our Subsidiaries*” and “*Financial Statements*” on pages 149 and 189, respectively. There can be no assurance that our Group Companies or Subsidiaries will not incur losses in the future.

**61. *Our Promoters and certain Group Companies have unsecured loans that may be recalled by the lenders at any time.***

Our Promoters and certain Group Companies currently have availed unsecured loans which may be called by their lenders at any time. In the event that any lender seeks a repayment of any such loan, our Promoters and Group Companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all.

**62. *We believe that we are a passive foreign investment company (“PFIC”) for U.S. federal income tax purposes and we expect to be a PFIC for the foreseeable future. U.S. investors may incur adverse tax consequences as a result of our status as a PFIC.***

We believe that we were a “passive foreign investment company”, or PFIC, for U.S. federal income tax purposes for our 2019 taxable year, and we expect to be a PFIC for our current year and for the foreseeable future. In addition, we may, directly or indirectly, hold equity interests in other PFICs, or lower-tier PFICs. Under the Internal Revenue Code of 1986, as amended, we will be a PFIC for any taxable year in which (i) 75% or more of our gross income consists of passive income or (ii) 50% or more of the average quarterly value of our assets consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes dividends, interest, rents, royalties and capital gains.

If we are a PFIC for any taxable year during which a U.S. investor holds our shares, the U.S. investor may be subject to adverse tax consequences, including (i) the treatment of all or a portion of any gain on disposition as ordinary income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements.

**63. *The determination of the Price Band is subject to various factors and assumptions and the Offer Price may not be indicative of the trading price of the Equity Shares, upon listing on the Stock Exchanges subsequent to the Offer. Further, the current trading price of equity shares listed pursuant to certain past issues handled by the BRLMs is below their respective issue price.***

The determination of the Price Band is based on various factors and assumptions, and was determined by our Company and the Selling Shareholders in consultation with the BRLMs. Further, the Offer Price of the Equity Shares was determined by our Company and the Selling Shareholders in consultation with the BRLMs through the Book Building Process. This price is based on certain factors, as described under “*Basis for Offer Price*” on page 93 and may not be indicative of the trading price of the Equity Shares, upon listing on the Stock Exchanges subsequent to the Offer. The trading price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure that you will be able to resell the Equity Shares at or above the Offer Price.

Further, the BRLMs have previously handled issues wherein the market price of the issued shares declined below the issue price of shares in such issues within 30 days of their listing and in certain cases continued to trade at a price lower than their listing price on the 180th day from their listing. We cannot, therefore, assure you that the investor will be able to resell their Equity Shares at or above the Offer Price. For further information regarding the track record of past issues handled by each of the BRLMs, see “*Other Regulatory and Statutory Disclosures – Price Information*



of past issues handled by the BRLMs” on page 363. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

**64. *Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders.***

The Offer consists of the Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. The entire proceeds of the Offer for Sale will be respectively transferred to the Selling Shareholders and will not result in any creation of value for us or in respect of your investment in our Company.

**EXTERNAL RISK FACTORS**

**65. *Unfavorable conditions in our industry or the global economy or reductions in spending on information technology and communications could adversely affect our business, results of operations and financial condition.***

Our results of operations may vary based on the impact of changes in our industry or the global economy on our clients. Our results of operations depend in part on demand for information technology and cloud communications. In addition, our revenue is dependent on the usage of our services, which in turn is influenced by the scale of business that our clients are conducting. To the extent that weak economic conditions result in a reduced volume of business for, and communications by, our clients and prospective clients, demand for, and use of, our products may decline. Further, weak economic conditions may make it more difficult to collect on outstanding accounts receivable. Small and medium-sized business may be affected by economic downturns to a greater extent than enterprises, and typically have more limited financial resources, including capital-borrowing capacity, than enterprises. If our clients reduce their use of our services, or prospective clients delay adoption or elect not to adopt our services, as a result of a weak economy, this could adversely affect our business, results of operations and financial condition.

**66. *There have been allegations in recent years that there may be health risks associated with the use of portable mobile communication devices which could adversely affect our business.***

Portable communication devices may pose health risks due to radio frequency emissions from such devices. Several mobile communications equipment manufacturers have undertaken studies concerning the health risks associated with using mobile communications devices and have publicly announced that there is no evidence of any health hazards or risks. However, the actual or perceived risk of mobile communications devices in India could adversely affect us through a reduced subscriber growth rate or a reduction in subscribers or reduced network usage per subscriber or through a claim for compensation.

**67. *The markets in which we operate are subject to the risk of natural and manmade disasters including earthquakes, floods and storms.***

Some of the regions that we operate in are prone to earthquakes, floods, storms and other natural and manmade disasters. In the event that any of the telecommunication networks, other infrastructure providers and our facilities are affected by any such disasters, we may sustain damage to our operations and properties, suffer significant financial losses or be unable to complete our client’s engagements in a timely manner, if at all. Further, in the event of a natural disaster, we may also incur costs in redeploying personnel and property.

In addition, if there is a major earthquake, flood or other natural disaster in any of the locations in which our significant clients including MNOs which provide us connectivity are located, we face the risk that our clients may incur losses, or sustained business interruption, which may impair our ability to provide services to our clients and may limit their ability to continue their purchase of services or solutions from us or even terminate the contract entered into with us by giving notice and paying for the portion of the work done and any non-recoverable investments made pursuant to the contract by us. A major earthquake, flood or other natural disaster in the markets in which we operate could have an adverse effect on our business, financial condition and results of operations.

**68. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have an adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of new regulations, which may also harm our results of operations. Any changes to such laws, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations and prospects:

The Government of India has implemented a comprehensive national goods and services tax (“**GST**”) regime with effect from July 1, 2017 that combines taxes and levies by the central and state governments into a unified rate structure. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If the tax costs associated with certain transactions because of a particular tax risk materializing are greater than anticipated, it could affect the profitability of such transactions.

The General Anti-Avoidance Rules (“**GAAR**”), and the provisions of Chapter X-A (sections 95 to 102) of the Income Tax Act, 1961, are expected to be applicable from assessment year 2019 (Fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an “impermissible avoidance arrangement”, if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm’s length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

The Government of India has announced the interim union budget for the Financial Year 2020. Further, the Finance Act, 2019 (the “**Finance Act**”) has made various amendments. The Finance Act stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. Further, the Government of India has also announced the union budget for Financial Year 2020, pursuant to which the Finance (No.2) Bill, 2019 proposes to introduce various amendments. As such, there is no certainty on the impact that the Finance (No. 2) Bill, 2019 may have on our business and operations or on the industry in which we operate.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to services, currently or in the future, is subject to interpretation by the applicable taxation authorities. Many of the statutes and regulations that impose these taxes were established before the growth of the Internet and mobile networks. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties and, if we pass on such costs to our clients, it may result in a decrease in the demand for our services. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

**69. Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.**

The consolidated financial statements of our Company included in this Draft Red Herring Prospectus were prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations. However, for the purpose of this Draft Red Herring Prospectus, the Restated Financial Statements for Fiscal 2017, 2018 and 2019 have been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies Act, 2013. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, we have presented reconciliation from Indian GAAP to Ind AS. For further information, see the section “*Financial Statements*” on page 189.

Except as otherwise provided in the “*Financial Statements*”, no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements, which are restated in accordance with the SEBI ICDR Regulations, included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. In addition, our Restated Financial Statements may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS. For further information, see *Management’s Discussion and Analysis of Financial Condition and Results of Operations — Presentation of Financial Information – First Time Adoption of Ind AS*” and “*Restated Financial Information - Notes to Restated Financial Information - Recent Accounting Pronouncements*” on pages 316 and 189, respectively.

**70. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;
- prevailing regional or global economic conditions, including in India’s principal export markets;
- geopolitical events such as the Brexit referendum pursuant to which a majority of voters in the United Kingdom elected to withdraw from the European Union have had and may continue to have an adverse effect on global economic conditions and stability of the global financial markets;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

**71. *Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a company incorporated under the laws of India. A majority of our Company's Directors and officers are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

**72. *Any downgrading of India's debt rating by an international rating agency could adversely affect our business.***

India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. In the past, rating agencies have downgraded India's sovereign rating. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

**Risks Relating to the Equity Shares**

**73. *The trading volume and market price of the Equity Shares may be volatile following the Offer.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

**74. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 93 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after

the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

**75. *The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

**76. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares, and payments on Equity Shares may be subject to FATCA withholding after December 31, 2018.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. For further information, see “Statement of Tax Benefits” on page 96.

Provisions under the U.S. Internal Revenue Code of 1986, as amended (the “Code”) and U.S. Treasury regulations promulgated thereunder commonly known as “FATCA” generally impose a 30% withholding tax on certain “foreign passthru payments” made by a non-U.S. financial institution (including an intermediary) that has entered into an agreement with the U.S. Internal Revenue Service (the “IRS”) to perform certain diligence and reporting obligations (each such non-U.S. financial institution, a “Participating Foreign Financial Institution”). If payments on the Equity Shares are made by a Participating Foreign Financial Institution (including an intermediary), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not a Participating Foreign Financial Institution and is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payor, to the extent such payments are considered “foreign passthru payments”. Under current guidance, the term “foreign passthru payment” is not defined and it is therefore not clear whether or to what extent payments on the Equity Shares would be considered foreign passthru payments. Withholding on foreign passthru payments would not be required with respect to payments made before January 1, 2019.

The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. We have registered with the IRS as a financial institution pursuant to the intergovernmental agreement between the United States and India. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address “foreign passthru payments” and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as foreign passthru payments. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

**77. *Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***78. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 400.

***79. Fluctuations in the exchange rate between the Rupee and foreign currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results.***

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Rupee and foreign currencies (including U.S. dollar) has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our results.

***80. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors may begin trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently not traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

***81. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing.

If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

## SECTION III – INTRODUCTION

### THE OFFER

The following table summarises the Offer details:

<b>Offer<sup>**</sup></b>	<b>Up to [●] Equity Shares aggregating up to ₹ 6,000.00 million</b>
<i>Of which:</i>	
1) Fresh Issue <sup>1)</sup>	Up to [●] Equity Shares aggregating up to ₹ 2,400.00 million
2) Offer for Sale <sup>2)</sup>	Up to [●] Equity Shares aggregating up to ₹ 3,600.00 million
<i>The Offer consists of:</i>	
(a) QIB Portion	At least [●] Equity Shares
<i>Of which</i>	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>Of which</i>	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
(b) Non – Institutional Portion	Not more than [●] Equity Shares
(c) Retail Portion	Not more than [●] Equity Shares
<b>Pre and post Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer	50,000,000 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Utilisation of Net Proceeds	For details, see the section titled “ <i>Objects of the Offer</i> ” on page 84.
	Our Company will not receive any proceeds from the Offer for Sale.

*# Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an aggregate amount not exceeding ₹1,000.00 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer Size constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company.*

*\* Our Company and Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB*



*Portion and allocated proportionally to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “Offer Procedure” on page 382.*

- 1) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on September 12, 2019 and by our Shareholders pursuant to a resolution passed at the EGM held on September 13, 2019.*
- 2) Sandipkumar Gupta and Rajdipkumar Gupta have consented to participate in the Offer for Sale and to offer, such number of Equity Shares held by each of them in the Company, as may cumulatively aggregate up to ₹ 3,600.00 million, as part of the Offer, pursuant to consent letters, each dated September 30, 2019. The Selling Shareholders confirm that the Equity Shares being offered as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered for sale in this Offer. For more information, see “Capital Structure” on page 71.*

Allocation to Bidders in all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis. For further details, see the sub-section titled “Offer Procedure – Allotment Procedure and Basis of Allotment” on page 382.

## SUMMARY FINANCIAL INFORMATION

*The following tables set forth summary financial information derived from and should be read in conjunction with our Restated Financial Statements, as presented in the section titled “Financial Information” on page 189 and the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 311.*

### RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(in ₹ million)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	233.96	234.10	171.04
Goodwill	821.23	831.39	137.66
Other intangible assets	643.96	755.07	17.95
Intangible assets under development	21.30	-	-
Investment in associate accounted using equity method	-	-	0.43
Financial assets			
Other financial assets	47.14	42.72	42.31
Deferred tax assets (net)	35.04	20.93	10.60
Non-current tax assets (net)	89.51	57.78	49.87
Other non-current assets	162.68	95.15	80.33
	<b>2,054.82</b>	<b>2,037.14</b>	<b>510.19</b>
<b>Current assets</b>			
Financial assets			
Investments	106.66	-	0.04
Trade receivables	1,447.07	972.92	332.26
Cash and cash equivalents	294.01	235.14	807.99
Other bank balances	662.53	790.83	301.37
Other financial assets	95.82	41.78	21.50
Other current assets	210.85	155.57	32.20
	<b>2,816.94</b>	<b>2,196.24</b>	<b>1,496.36</b>
<b>Total assets</b>	<b>4,871.76</b>	<b>4,233.38</b>	<b>2,006.55</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	500.00	500.00	500.00
Other equity	1,728.24	1,206.77	768.65
<b>Equity attributable to owners of the Holding Company</b>	<b>2,228.24</b>	<b>1,706.77</b>	<b>1,268.65</b>
Non-controlling interests	(18.83)	(6.59)	5.18
<b>Total equity</b>	<b>2,209.41</b>	<b>1,700.18</b>	<b>1,273.83</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	45.75	52.44	25.84

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Provisions	15.61	14.22	10.16
Deferred tax liabilities (net)	0.15	0.47	0.74
Other non-current liabilities	6.72	4.01	1.60
	<b>68.23</b>	<b>71.14</b>	<b>38.34</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	731.62	777.74	150.00
Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	-	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	597.41	561.17	360.23
Other financial liabilities	1,062.92	1,009.71	46.71
Provisions	5.75	7.64	6.67
Current tax liabilities (net)	116.37	37.91	13.62
Other current liabilities	80.05	67.89	117.15
	<b>2,594.12</b>	<b>2,462.06</b>	<b>694.38</b>
<b>Total equity and liabilities</b>	<b>4,871.76</b>	<b>4,233.38</b>	<b>2,006.55</b>

# **RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS**

(in ₹ million)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>Revenue</b>			
Revenue from operations	8,446.68	5,049.48	4,575.81
Other income	77.09	45.37	72.51
<b>Total revenue</b>	<b>8,523.77</b>	<b>5,094.85</b>	<b>4,648.32</b>
<b>Expenses</b>			
Purchases of messaging services	6,670.15	3,407.47	3,253.70
Employee benefits expense	554.47	504.57	259.64
Finance costs	113.58	63.33	6.68
Depreciation and amortisation expense	172.26	124.56	54.16
Other expenses	358.63	422.71	258.67
<b>Total expenses</b>	<b>7,869.09</b>	<b>4,522.64</b>	<b>3,832.85</b>
<b>Profit before tax</b>	<b>654.68</b>	<b>572.21</b>	<b>815.47</b>
<b>Tax expense</b>			
Current tax	112.19	109.40	214.69
Deferred tax credit	(14.98)	(10.44)	(6.16)
	<b>97.21</b>	<b>98.96</b>	<b>208.53</b>
<b>Profit for the year</b>	<b>557.47</b>	<b>473.25</b>	<b>606.94</b>
<b>Other comprehensive income</b>			
(i) (a) Items that will not be reclassified to profit or loss	1.91	0.29	0.97
(b) Tax expense / (benefit) on items that will not be reclassified to profit or loss	(0.56)	(0.08)	(0.34)
(ii) (a) Items that will be reclassified to profit or loss	40.83	27.89	(44.29)
(b) Tax expense / (benefit) on items that will be reclassified to profit or loss	-	-	-
<b>Total other comprehensive income (net of tax)</b>	<b>42.18</b>	<b>28.10</b>	<b>(43.66)</b>
<b>Total comprehensive income for the year</b>	<b>599.65</b>	<b>501.35</b>	<b>563.28</b>
<b>Profit attributable to:</b>			
Owners of the Holding Company	571.61	484.92	607.07
Non-controlling interests	(14.14)	(11.67)	(0.13)
<b>Other comprehensive income attributable to:</b>			

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Owners of the Holding Company	40.28	28.20	(43.66)
Non-controlling interests	1.90	(0.10)	-
<b>Total comprehensive income attributable to:</b>			
Owners of the Holding Company	611.89	513.12	563.41
Non-controlling interests	(12.24)	(11.77)	(0.13)
<b>Earnings per equity share</b>			
Basic and diluted (in ₹)	11.43	9.70	12.14
Face value per share (in ₹)	10.00	10.00	10.00

# **RESTATED STATEMENT OF CASH FLOWS**

(in ₹ million)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>	<b>654.68</b>	<b>572.21</b>	<b>815.47</b>
<b>Adjustments for :</b>			
Financial asset measured at amortised cost	0.02	0.04	0.19
Depreciation and amortisation expense	172.26	124.56	54.16
Advances and trade receivable written off	3.54	22.86	22.84
Interest income on fixed deposits	(22.91)	(31.13)	(33.77)
Interest on income tax refund	(1.10)	-	-
Provision for doubtful debts and advances	1.91	4.34	1.13
Interest on borrowings from bank	17.11	5.52	0.26
Interest on finance lease obligation	1.86	2.04	0.90
(Profit)/ loss on sale of property, plant and equipment	-	(0.07)	0.93
Interest on delayed payment of income taxes	0.04	0.69	1.75
Interest expenses on financial liability measured at amortised cost	91.20	47.90	-
Other borrowing cost	1.52	2.42	0.11
Unrealised foreign exchange (gain)/loss	1.00	7.20	-
Liabilities no longer payable, written back	(26.66)	(10.03)	(20.47)
Net gain arising on financial assets designated as FVTPL	(6.66)	-	-
Lease equalisation reserve	2.71	2.41	0.82
<b>Operating profit before working capital changes</b>	<b>890.52</b>	<b>750.96</b>	<b>844.32</b>
<b>Adjustments for working capital:</b>			
(Increase) in trade receivables	(489.04)	(482.09)	(73.75)
(Increase) in financial assets and other assets	(187.82)	(176.97)	(41.64)
Increase/(decrease) in trade payables, provisions and other liabilities	80.06	273.25	(1,064.86)
<b>Cash generated from/(used in) operating activities</b>	<b>293.72</b>	<b>365.15</b>	<b>(335.93)</b>
Direct taxes paid (net)	(65.50)	(83.92)	(258.39)
<b>Net cash generated from/(used in) operating activities</b>	<b>228.22</b>	<b>281.23</b>	<b>(594.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for purchase of property, plant and equipment and intangible assets (including intangible assets under development)	(105.44)	(59.49)	(143.36)
Proceeds from fixed deposits matured/(placed)	128.30	(461.22)	123.54
Payment for acquisition of subsidiaries	-	(818.93)	(132.74)
Proceeds from sale of property, plant and equipment	-	1.39	3.61
(Purchase of)/proceeds from sale of current investments	(100.00)	0.04	0.30
Interest received	27.01	36.08	33.21
<b>Net cash (used in) investing activities</b>	<b>(50.13)</b>	<b>(1,302.13)</b>	<b>(115.44)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from non-current borrowings	3.90	39.60	-

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Repayment of non-current borrowings (including finance lease obligations)	(8.97)	(10.48)	(5.16)
Proceeds from issue of shares to non controlling interest	-	-	5.31
(Repayment of)/proceeds from current borrowings (net)	(53.69)	520.07	142.41
Interest paid	(20.18)	(9.75)	(1.16)
Dividend paid (including dividend distribution tax)	(90.42)	(75.00)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(169.36)</b>	<b>464.44</b>	<b>141.40</b>
<b>D</b> Currency fluctuations arising on consolidation	50.14	(20.81)	(42.69)
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>58.87</b>	<b>(577.27)</b>	<b>(611.05)</b>
Opening balance of cash and cash equivalents	235.14	807.99	1,417.87
Cash and cash equivalents taken over on acquisition	-	4.42	1.17
<b>Closing balance of cash and cash equivalents</b>	<b>294.01</b>	<b>235.14</b>	<b>807.99</b>
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Cash and cash equivalents	294.01	235.14	807.99
<b>Balances as per consolidated statement of cash flows</b>	<b>294.01</b>	<b>235.14</b>	<b>807.99</b>

## GENERAL INFORMATION

Our Company was incorporated as ‘Routesms Solutions Private Limited’, a private limited company under the Companies Act, 1956, on May 14, 2004, at Mumbai, Maharashtra. Subsequently, upon conversion to a public limited company pursuant to a special resolution of the shareholders of our Company dated February 15, 2007, the name of our Company was changed to ‘Routesms Solutions Limited’ and a fresh certificate of incorporation was issued by the RoC on April 17, 2007. The name of our Company was subsequently changed to ‘Route Mobile Limited’, to justify the wide range of its product offering, pursuant to a special resolution of the shareholders of our Company dated March 8, 2016, and a fresh certificate of incorporation was issued by the RoC on March 16, 2016.

**Registration Number:** 146323

### Registered and Corporate Office

4th Dimension, 3rd Floor  
Mind Space, Malad (West)  
Mumbai 400 064  
Maharashtra, India  
**Telephone:** +91 22 4033 7676  
**Website:** www.routemobile.com

For details in relation to change in the location of the registered office of our Company, see “History and Certain Corporate Matters” on page 142.

### Address of the RoC

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

100, Everest  
Marine Drive  
Mumbai 400 002  
Maharashtra, India

### Board of Directors

The following table sets out the brief details of our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Chandrakant Gupta	Chairman and Non-executive Director	01636981	M/201, Panchsheel Gardens, Mahavir Nagar, Kandivali (West), Mumbai-400067, Maharashtra, India.
Rajdipkumar Gupta	Managing Director and Group Chief Executive Officer	01272947	M/201, Panchsheel Gardens, Mahavir Nagar, Kandivali (West), Mumbai-400067, Maharashtra, India.
Sandipkumar Gupta	Non-executive Director	01272932	M/201, Panchsheel Gardens, Mahavir Nagar, Kandivali (West), Mumbai-400067, Maharashtra, India.
Ramchandran Sivathanu	Independent Director	07613555	No 46, F – I, 1st Floor, Alraza Glendale Apartments, Ellaiamman Koil Street, Adyar, Chennai 600 020, Tamil Nadu, India.
Ankit Paleja	Independent Director	06975564	Flat No-12, Goma Grah, Sir Vithaldas Nagar, North, Avenue Road, Santacruz (West), Mumbai 400 054, Maharashtra, India.



Name	Designation	DIN	Address
Sudha Navandar	Independent Director	02804964	603, 604/209, Anita Kutir CHS, HIG Colony, 90 Feet Road, Opposite State Bank of India, Near Ganpati Mandir, Ghatkopar East, Mumbai 400 075, Maharashtra, India.

For brief profiles and further details of our Directors, please see “Our Management” on page 163.

#### Company Secretary and Compliance Officer

##### Rathindra Das

4th Dimension, 3rd Floor  
Mind Space, Malad (West)  
Mumbai 400 064  
Maharashtra, India

**Telephone:** 022 40337676

**Email:** complianceofficer@routemobile.com

#### Book Running Lead Managers

##### ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg  
Churchgate, Mumbai 400 020  
Maharashtra, India

**Tel:** +91 22 2288 2460

**E-mail:** routemobile.ipo@icicisecurities.com

**Website:** www.icicisecurities.com

**Contact person:** Payal Kulkarni/ Rishi Tiwari

##### Axis Capital Limited

1st Floor, Axis House, C 2 Wadia International Centre  
Pandurang Budhkar Marg  
Worli, Mumbai 400 025  
Maharashtra, India

**Tel:** +91 22 4325 2183

**Email:** route.ipo@axiscap.in

**Website:** www.axiscapital.co.in

**Contact person:** Sagar Jatakiya

##### Edelweiss Financial Services Limited

14th Floor, Edelweiss House  
Off C.S.T. Road, Kalina  
Mumbai 400 098  
Maharashtra, India

**Tel:** +91 22 4009 4400

**E-mail:** routemobile.ipo@edelweissfin.com

**Website:** www.edelweissfin.com

**Contact Person:** Nishita John/Yash Modi

##### IDBI Capital Markets & Securities Limited

6th floor, IDBI Tower  
WTC Complex, Cuffe Parade  
Mumbai - 400 005  
Maharashtra, India

**Tel:** +91 22 2217 1700

**Email:** ipo.routemobile@idbicapital.com

**Website:** www.idbicapital.com

**Contact Person:** Subodh Gandhi/ Sooraj Bhatia

#### Statement of inter-se allocation of responsibilities among the BRLMs

The responsibilities and coordination by the BRLMs for various activities in this Offer are as follows:

S. No	Activity	Responsibility	Co-ordinator
1.	Pre-offer due diligence of our Company's operations/ management/ business plans/ legal. Drafting and designing of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements.	BRLMs	I-Sec
2.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.	BRLMs	I-Sec
3.	• Appointment of Banker(s) to the Offer and printer.	BRLMs	Axis

S. No	Activity	Responsibility	Co-ordinator
	<ul style="list-style-type: none"> <li>Appointment of advertising agency including co-ordination for agreements to appoint the ad agency and filing of media compliance report to SEBI.</li> <li>Appointment of Registrar to the Offer including co-ordination for agreements to appoint the Registrar to the Offer.</li> <li>Appointment of Monitoring Agency to the Offer including co-ordination for agreements to appoint the Monitoring Agency to the Offer.</li> </ul>		
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (1) above including corporate advertisement, brochure	BRLMs	Axis
5.	International institutional marketing including co-ordination for research briefing, allocation of investors for meetings and finalize roadshow schedules, preparation and finalisation of the road-show presentation and frequently asked questions.	BRLMs	Axis
6.	Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalizing road show schedules	BRLMs	I-Sec
7.	<p>Non-Institutional and Retail marketing of the Offer, which will cover, inter alia:</p> <ul style="list-style-type: none"> <li>Formulating marketing strategies for Non-Institutional and Retail Investors;</li> <li>Finalising media, marketing and public relations strategy</li> <li>preparation of publicity budget, finalizing media and public relations strategy.</li> <li>Finalizing centres for holding conferences for brokers</li> <li>Finalizing collection centres; and</li> <li>Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material.</li> </ul>	BRLMs	Edel
8.	Coordination with Stock Exchanges for book building process, filing of letters including software, bidding terminals, mock trading and anchor investor intimation, and payment of 1% security deposit to the designated stock exchange	BRLMs	Edel
9.	Pricing and managing the book	BRLMs	Axis
10.	<p>Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc.</p> <p>Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and co-ordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.</p> <p>Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholders under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004</p>	BRLMs	Axis

S. No	Activity	Responsibility	Co-ordinator
	Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI		

#### **Legal Counsel to the Company and the Selling Shareholders as to Indian Law**

##### **M/s. Crawford Bayley & Co.**

State Bank Buildings, 4th Floor

N.G.N. Vaidya Marg, Fort

Mumbai 400 023

Maharashtra, India

**Telephone:** +91 22 2266 3353

**Email:** sanjay.asher@crawfordbayley.com

#### **International Legal Counsel to the Offer**

##### **Squire Patton Boggs Singapore LLP**

10 Collyer Quay

#03-01/03 Ocean Financial Centre

Singapore 049315

**Telephone:** +65 6922 8668

#### **Legal Counsel to the BRLMs as to Indian Law**

##### **J. Sagar Associates**

Vakils House 18, Sprott Road

Ballard Estate

Mumbai 400 001

Maharashtra, India

**Telephone:** +91 22 4341 8600

#### **Syndicate Members**

[•]

#### **Registrar to the Offer**

##### **Karvy Fintech Private Limited**

Karvy Selenium Tower B, Plot 31-32

Gachibowli, Financial District

Nanakramguda

Hyderabad 500 032

Telangana, India

**Telephone:** +91 40 6716 2222

**E-mail:** einward.ris@karvy.com

**Investor grievance e-mail:** routemobile.ipo@karvy.com

**Contact Person:** M Murali Krishna

**Website:** www.karisma.karvy.com

#### **Statutory Auditor to our Company**

Walker Chandiok & Co LLP

Chartered Accountants

16th Floor, Tower II

Indiabulls Finance Centre  
S. B. Marg, Elphinstone (West)  
Mumbai 400 013  
Maharashtra, India  
**Telephone:** +91 22 6626 2600  
**E-mail:** bharat.shetty@in.gt.com  
**Contact Person:** Bharat Shetty  
**Firm Registration Number:** 001076N/N500013  
**Peer Review No.:** 011707

There has been no change in the statutory auditors of our Company in the last three Fiscals.

#### **Bankers to our Company**

##### **HDFC Bank Limited**

Unit No. 401 & 402,  
4th Floor, Tower B,  
Peninsula Business Park, Lower Parel  
Mumbai – 400 013  
Maharashtra, India.  
**Telephone:** +91 22 -3395 8202  
**E-mail:** Mrinal.barua@hdfcbank.com  
**Website:** www.hdfcbank.com  
**Contact Person:** Mrinal Barua

##### **Kotak Mahindra Bank Limited**

27 BKC, G Block,  
BKC, Bandra East,  
Mumbai – 400 051  
Maharashtra, India.  
**Telephone:** +91-22 -6218 5898  
**E-mail:** shubhra.garg@kotak.com  
**Website:** www.kotak.com  
**Contact Person:** Shubhra Garg

##### **Deutsche Bank AG**

Asset & Wealth Management,  
14th Floor, H.T. House,  
New Delhi – 110 001  
**Telephone:** +91-22-7180 4461/ 63  
**E-mail:** rajendra.verma@db.com,  
sean.rodrigues@db.com  
**Website:** www.deutschebank.co.in  
**Contact Person:** Rajendra Verma / Sean Rodrigues

#### **Banker(s) to the Offer**

##### **Escrow Collection Bank(s)**

[•]

##### **Refund Bank(s)**

[•]

##### **Public Offer Bank(s)**

[•]

##### **Sponsor Bank**

[•]

##### **Designated Intermediaries**

### **Self Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs under the BTI Regulations for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and updated from time to time. For details of the list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and as updated from time to time, please refer to the above-mentioned link.

### **Registered Brokers**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and NSE at [www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?) And [www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, as updated from time to time.

### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

### **Self Certified Syndicate Banks eligible as Sponsor Banks for UPI**

The list of self certified syndicate banks eligible as sponsor banks for UPI Mechanism, including details such as name and contact details, are provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>, or such other websites as updated from time to time.

### **Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone numbers, and e-mail address, are provided on the websites BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other websites as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, or such other websites as updated from time to time.

### **Expert**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated September 30, 2019 from our Statutory Auditor, namely, Walker Chandiok & Co LLP, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013, in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013, in relation to its examination reports, dated September 30, 2019 on the Restated Financial Statements and the Statement of Tax Benefits dated September 30, 2019 and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

### **Grading of the Offer**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

### **Trustees**

As this is an offer of Equity Shares, there are no trustees appointed for the Offer.

### **Monitoring Agency**

Our Company will appoint a Monitoring Agency for monitoring the utilization of Net Proceeds, prior to filing of the Red Herring Prospectus with the RoC, as our Offer size (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹ 1,000.00 million in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Net Proceeds.

### **Green Shoe Option**

No green shoe option is contemplated under the Offer.

### **Appraising Entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

### **Credit Rating**

As this is an issue of Equity Shares, there is no credit rating required for the Offer.

### **Filing**

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Division of Issues and Listing, SEBI Bhavan, Plot No. C4 A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 and simultaneously through the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be delivered to the RoC at its office.

### **Book Building Process**

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot size will be decided by our Company in consultation with the BRLMs and advertised in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and Mumbai editions of Marathi newspaper [●] (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid / Offer Opening Date in accordance with SEBI

ICDR Regulations and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs after the Bid / Offer Closing Date.

**All Bidders, except Anchor Investors, shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Offer through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.**

Each Bidder by submitting a Bid in Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, our Company along with the Selling Shareholders have appointed the BRLMs to manage this Offer and procure Bids for this Offer. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Offer.

Bidders should note that this Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details, see “Offer Structure” and “Offer Procedure” beginning on pages 378 and 382, respectively.

### **Illustration of Book Building Process and the Price Discovery Process**

For an illustration of the Book Building Process and the price discovery process, see “Offer Procedure” on page 382.

### **Underwriting Agreement**

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

<b>Name, address, telephone number and email of the Underwriters</b>	<b>Indicative Number of the Equity Shares to be Underwritten</b>	<b>Amount Underwritten (₹ million)</b>
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors, the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered

with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. Notwithstanding the above table, the Underwrites shall be severally and not jointly responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers or subscribe to Equity Shares to the extent of the defaulted amount in accordance with and subject to the terms of the Underwriting Agreement. The underwriting arrangement stated above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC.



## CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Red Herring Prospectus, is set forth below:

<i>(in ₹ million, except share data)</i>		
	<b>Aggregate nominal value at face value of ₹ 10 per equity share</b>	<b>Aggregate value at Offer Price<sup>1)</sup></b>
<b>A) AUTHORISED SHARE CAPITAL</b>		
100,000,000 Equity Shares	1,000.00	
<b>B) ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE OFFER</b>		
50,000,000 Equity Shares	500.00	
<b>C) PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS<sup>2)</sup></b>		
Up to [●] Equity Shares aggregating up to ₹ 6,000 <sup>#</sup>	[●]	[●]
<i>of which</i>		
<b>Fresh Issue</b>		
Up to [●] Equity Shares aggregating up to ₹ 2,400.00	[●]	[●]
<b>Offer for Sale</b>		
Up to [●] Equity Shares aggregating up to ₹ 3,600.00 <sup>3)</sup>	[●]	[●]
<b>D) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER</b>		
[●] Equity Shares	[●]	
<b>E) SECURITIES PREMIUM ACCOUNT</b>		
Before the Offer		Nil
After the Offer		[●]

<sup>#</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an aggregate amount not exceeding ₹1,000.00 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer Size constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company.

1) To be finalized upon determination of the Offer Price.

2) The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on September 12, 2019, and by our Shareholders pursuant to a resolution passed at the EGM held on September 13, 2019.

3) Sandipkumar Gupta and Rajdipkumar Gupta have consented to participate in the Offer for Sale and to offer, such number of Equity Shares held by each of them in the Company, as may cumulatively aggregate up to ₹ 3,600.00 million, as part of the Offer, pursuant to a letters, each dated September 30, 2019.

### Notes to Capital Structure

#### 1. Share capital history

History of Equity Share capital of our Company

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment	Name(s) of allottee(s)	Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid up Equity Share capital (₹)
May 14, 2004	5,000 Equity Shares each to Sandipkumar Gupta and Rajdipkumar Gupta	Subscription to the Memorandum	10,000	10	10	Cash	10,000	100,000
February 4, 2007	10,000 Equity Shares to Sandipkumar Gupta, 10,000 Equity Shares to Rajdipkumar Gupta, 5,000 Equity Shares to Chandrakant Gupta, 5,000 Equity Shares to Chamelidevi Gupta, 4,500 Equity Shares to Sarika Gupta, 4,500 Equity Shares to Sunita Gupta, and 1,000 Equity Shares to Ghanshyam Jaiswal	Preferential allotment	40,000	10	10	Cash	50,000	500,000
January 5, 2011	585,000 Equity Shares to Sandipkumar Gupta, 585,000 Equity Shares to Rajdipkumar Gupta, 195,000 Equity Shares to Chandrakant Gupta, 195,000 Equity Shares to Chamelidevi Gupta, 175,500 Equity Shares to Sarika Gupta, 175,500 Equity Shares to Sunita Gupta, and 39,000 Equity Shares to Ghanshyam Jaiswal	Bonus issue in the ratio of 39:1	1,950,000	10	–	–	2,000,000	20,000,000
December 17, 2015	5,400,000 Equity Shares to Sandipkumar Gupta, 5,400,000 Equity Shares to Rajdipkumar Gupta, 1,800,000 Equity Shares to Chandrakant Gupta, 1,800,000 Equity Shares to Chamelidevi Gupta, 1,620,000 Equity Shares to Sarika Gupta, 1,620,000	Bonus issue in the ratio of 9:1	18,000,000	10	–	–	20,000,000	200,000,000

Date of allotment	Name(s) of allottee(s)	Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Cumulative number of Equity Shares	Cumulative paid up Equity Share capital (₹)
	Equity Shares to Sunita Gupta, 112,500 Equity Shares to Sandip Gupta HUF, 112,500 Equity Shares to Rajdip Gupta HUF, and 135,000 Equity Shares to Chandrakant Gupta HUF.							
September 2, 2016	9,000,000 Shares to Sandipkumar Gupta, 9,000,000 Shares to Rajdipkumar Gupta, 3,000,000 Shares to Chandrakant Gupta, 3,000,000 Shares to Chamelidevi Gupta, 2,700,000 Shares to Sarika Gupta, 2,700,000 Equity Shares to Sunita Gupta, 187,500 Equity Shares to Sandip Gupta HUF, 187,500 Equity Shares to Rajdip Gupta HUF, and 225,000 Equity Shares to Chandrakant Gupta HUF.	Bonus issue in the ratio of 3:2	30,000,000	10	—	—	50,000,000	500,000,000

2. As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

### 3. Issue of Equity Shares for consideration other than cash or through bonus

Except as set out below, we have not issued Equity Shares for consideration other than cash or through bonus:

Date of allotment/date when fully paid up	Number of Equity Shares	Face value (₹)	Persons to whom the Equity Shares were allotted	Reasons for allotment	Benefits accrued to our Company
January 5, 2011	1,950,000	10	Existing shareholders as on January 5, 2011	Bonus issue in the ratio of 39:1 <sup>1)</sup>	-
December 17, 2015	18,000,000	10	Existing shareholders as on December 10, 2015	Bonus issue in the ratio of 9:1 <sup>2)</sup>	-

September 2, 2016	30,000,000	10	Existing shareholders as on August 25, 2016	Bonus issue in the ratio of 3:2 <sup>3)</sup>
1) Allotment of 1,950,000 Equity Shares pursuant to capitalisation of ₹ 19,500,000 out of the securities premium account/free reserves of our Company, to holders of Equity Shares as at January 5, 2011. 2) Allotment of 18,000,000 Equity Shares pursuant to capitalisation of ₹ 180,000,000 out of the securities premium account/free reserves of our Company, to holders of Equity Shares as at December 10, 2015. 3) Allotment of 30,000,000 Equity Shares pursuant to capitalisation of ₹ 300,000,000 out of the securities premium account/free reserves of our Company, to holders of Equity Shares as at August 25, 2016.				

For further details, see “Capital Structure – Notes to Capital Structure –Share Capital History – 1. History of Equity Shares capital of our Company” on page 71.

4. Our Company has not issued any bonus shares out of capitalisation of its revaluation reserves or unrealised profits.

#### 5. Issue of Equity Shares at a price lower than the Offer price in the last year

Our Company has not issued any Equity Shares during a period of one year from the date of filing of this Draft Red Herring Prospectus.

#### 6. History of build-up, Promoters’ contribution and lock-in of Promoters’ shareholding

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 28,800,000 Equity Shares, constituting 57.60% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters’ shareholding is set out below.

##### Build-up of Promoters’ shareholding in our Company

##### Equity shareholding

Set forth below is the build-up of the equity shareholding of our Promoters since incorporation of our Company:

Date of allotment/transfer	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue/acquisition price per Equity Share (₹)	Nature of Transaction	% of the pre-Offer Equity Share capital	% of the post-Offer Equity Share capital
<b>SANDIPKUMAR GUPTA</b>							
May 14, 2004	5,000	Cash	10	10	Subscription to the MoA	0.01	[●]
February 4, 2007	10,000	Cash	10	10	Preferential allotment	0.02	[●]
January 5, 2011	585,000	–	10	–	Bonus issue in the ratio of 39:1	1.17	[●]
December 17, 2015	5,400,000	–	10	–	Bonus issue in the ratio of 9:1	10.80	[●]
September 2, 2016	9,000,000	–	10	–	Bonus issue in the ratio of 3:2	18.00	[●]
August 10, 2017	(600,000)	Cash	10	300	Transfer to Krisharya Trust	(1.20)	[●]

Date of allotment/ transfer	Number of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	Nature of Transaction	% of the pre- Offer Equity Share capital	% of the post- Offer Equity Share capital
<b>(A) Sub-total</b>		<b>14,400,000</b>				<b>28.80</b>	
<b>RAJDIPKUMAR GUPTA</b>							
May 14, 2004	5,000	Cash	10	10	Subscription to the MoA	0.01	[●]
February 4, 2007	10,000	Cash	10	10	Preferential allotment	0.02	[●]
January 5, 2011	585,000	–	10	–	Bonus issue in the ratio of 39:1	1.17	[●]
December 17, 2015	5,400,000	–	10	–	Bonus issue in the ratio of 9:1	10.80	[●]
September 2, 2016	9,000,000	–	10	–	Bonus issue in the ratio of 3:2	18.00	[●]
August 10, 2017	(600,000)	Cash	10	300	Transfer to Krisharya Trust	(1.20)	[●]
<b>(B) Sub-total</b>		<b>14,400,000</b>				<b>28.80</b>	
<b>Total (A+B)</b>		<b>28,800,000</b>				<b>57.60</b>	

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are pledged as on the date of this Draft Red Herring Prospectus.

#### Details of Promoters' contribution locked-in for three years

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer capital of our Company held by our Promoters shall be locked-in as minimum promoters' contribution for a period of three years from the date of Allotment ("**Promoters' Contribution**").

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 28,800,000 Equity Shares, constituting 57.60% of our Company's paid-up Equity Share capital, of which [●] Equity Shares, constituting [●]% of our Company's paid-up Equity Share capital, are eligible for Promoters' Contribution.

Sandipkumar Gupta and Rajdipkumar Gupta have, pursuant to their respective letters, each dated September 30, 2019, given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer equity share capital of our Company as Promoters' Contribution and have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

Name of the Promoters	No. of Equity Shares locked-in	Date of transaction	Issue Price (₹)	Allotment/ acquisition price (₹)	% of the pre-Offer Equity Share capital	% of the post-Offer Equity Share capital	Date up to which the Equity Shares are subject to lock-in
Sandipkumar Gupta	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Rajdipkumar Gupta	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Our Promoters have confirmed to our Company and the BRLMs that the acquisition of the Equity Shares held by them and which will be locked-in as the Promoters' Contribution have been financed from personal funds/ internal accruals and no loans or financial assistance from any banks or financial institution has been availed for such purpose.

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations.

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not, and will not be, ineligible under Regulation 15 of the SEBI ICDR Regulations. In particular, these Equity Shares do not, and shall not, consist of:

1. The Equity Shares offered for Promoters' contribution do not include Equity Shares acquired in the three immediately preceding years for consideration other than cash, and revaluation of assets or capitalisation of intangible assets, or resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' contribution;
2. The Promoters' contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
3. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company;
4. The Equity Shares forming part of the Promoters' contribution are not subject to any pledge; and
5. All the Equity Shares held by our Promoters are held in dematerialised form prior to filing of this Draft Red Herring Prospectus.

#### Other lock-in requirements

- a. In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for three years as specified above, (a) the entire pre-Offer Equity Share capital of our Company, other than the Equity Shares Allotted pursuant to the Offer; and (b) any unsubscribed portion of the Offer for Sale by the Promoters, will be locked-in for a period of one year from the date of Allotment.
- b. The Equity Shares to be allotted to eligible employees under the ESOP 2017 shall not be subject to lock-in.
- c. Pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in may be transferred to and among the members of the promoter group or to any new Promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

- d. Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in for a period of three years from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.
- e. Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.
- f. Further, pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations.
- g. Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

#### 7. Shareholding of the members of our Promoter Group

Provided below are details of Equity Shares held by the members of our promoter group as on the date of this Draft Red Herring Prospectus:

Sr. No	Name of shareholder	Pre - Offer	
		No. of Equity Shares	Percentage of pre-Offer capital (%)
1.	CC Gupta Family Trust	5,000,000	10.00
2.	Sunita Gupta	4,320,000	8.64
3.	Sarika Gupta	4,320,000	8.64
4.	Chandrakant Gupta	2,300,000	4.60
5.	Chamelidevi Gupta	2,300,000	4.60
6.	Sandipkumar Gupta (HUF)	300,000	0.60
7.	Rajdipkumar Gupta (HUF)	300,000	0.60
8.	Chandrakant Gupta (HUF)	360,000	0.72
<b>Total</b>		<b>19,200,000</b>	<b>38.40</b>

#### 8. Our shareholding pattern

The table below represents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of the Shareholder (II)	No. of Sharehol- ders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlyin- g Depositor y Receipts (VI)	Total No. shares held (VII) = (IV)+(V)+ (VI)	Sharehold- ing as a % of total no. of shares (calculated as per SCRR, 1957) (VIII)  As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)				No. of shares Underlyin- g Outstand- ing convertibl- e securities (including Warrants ) (X)	Sharehold- ing as a % assuming full conversio- n of convertibl- e securities (as a % of diluted share capital (XI)=(VII) )+(X) as a % of (A+B+C2) (XI))	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerial- ized from (XIV)
								No. of Voting Rights		Total as a % of total voting rights	No. (a)			As a % total shares held (b)	No. (a)	As a % total shares held (b)		
								Class eg: X	Class eg: Y								Total	
(A)	Promoter & Promoter Group	10	48,000,000	0	0	48,000,000	96	48,000,000	NA	48,000,000	96	NA		NA	NA	NA	NA	48,000,000
(B)	Public	1	2,000,000	0	0	2,000,000	4	2,000,000	NA	2,000,000	4	0	0	0	0	2,000,000	4	2,000,000
(C)	Non Promoter- Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	0
(1)	Shares underlying Custodian/Dep- ository Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	0
(2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	0
	Total (A)+(B)+(C)	11	50,000,000	0	0	50,000,000	100	50,000,000	NA	50,000,000	100	NA	100	0	0	2,000,000	4	50,000,000



## 9. Details of Equity Shareholding of the Shareholders of our Company

The major Equity Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them as on the date of this Draft Red Herring Prospectus are set forth in the table below:

S. No.	Name of shareholder	Number of Equity Shares on a fully diluted basis	Percentage of the pre- Offer Equity Share capital (%) on a fully diluted basis
1.	Sandipkumar Gupta	14,400,000	28.62
2.	Rajdipkumar Gupta	14,400,000	28.62
3.	CC Gupta Family Trust	5,000,000	9.94
4.	Sunita Gupta	4,320,000	8.59
5.	Sarika Gupta	4,320,000	8.59
6.	Chandrakant Gupta	2,300,000	4.57
7.	Chamelidevi Gupta	2,300,000	4.57
8.	Krisharya Trust	2,000,000	3.98

The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them 10 days prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

S. No.	Name of shareholder	Number of Equity Shares on a fully diluted basis	Percentage of the pre- Offer Equity Share capital (%) on a fully diluted basis
1.	Sandipkumar Gupta	14,400,000	28.62
2.	Rajdipkumar Gupta	14,400,000	28.62
3.	CC Gupta Family Trust	5,000,000	9.94
4.	Sunita Gupta	4,320,000	8.59
5.	Sarika Gupta	4,320,000	8.59
6.	Chandrakant Gupta	2,300,000	4.57
7.	Chamelidevi Gupta	2,300,000	4.57
8.	Krisharya Trust	2,000,000	3.98

The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them one year prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

S. No.	Name of shareholder	Number of Equity Shares on a fully diluted basis	Percentage of the pre- Offer Equity Share capital (%) on a fully diluted basis
1.	Sandipkumar Gupta	14,400,000	28.62
2.	Rajdipkumar Gupta	14,400,000	28.62
3.	CC Gupta Family Trust	5,000,000	9.94
4.	Sunita Gupta	4,320,000	8.59
5.	Sarika Gupta	4,320,000	8.59
6.	Chandrakant Gupta	2,300,000	4.57
7.	Chamelidevi Gupta	2,300,000	4.57
8.	Krisharya Trust	2,000,000	3.98

The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of shares held by them two years prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

S. No.	Name of shareholder	Number of Equity Shares on a fully diluted basis	Percentage of the pre- Offer Equity Share capital (%) on a fully diluted basis
1.	Sandipkumar Gupta	15,000,000	29.81
2.	Rajdipkumar Gupta	15,000,000	29.81
3.	Chandrakant Gupta	5,000,000	9.94
4.	Chamelidevi Gupta	5,000,000	9.94
5.	Sunita Gupta	4,500,000	8.94
6.	Sarika Gupta	4,500,000	8.94
7.	Krisharya Trust	2,000,000	3.98

## 10. Employee Stock Option Plan

Pursuant to a Board resolution dated October 5, 2017, and Shareholders' resolution dated October 12, 2017, our Company instituted the Route Mobile Limited - Employee Stock Option Plan 2017 ("ESOP 2017") to provide for the grant of options to employees of our Company who meet the eligibility criteria under ESOP 2017.

The objectives of ESOP 2017 include, *inter alia*, reward the key employees for their association, dedication and contribution to the goals of our Company and retention and motivation of key talent.

ESOP 2017 envisages grant of an aggregate of 2,500,000 options of with each option upon exercise, grants its holder the right to be allotted one Equity Share, upon payment of the exercise. The quantum of options that can be granted under the ESOP 2017 and the issue of Equity Shares upon its exercise are subject to corresponding fair and reasonable adjustment in the event of corporate actions by our Company including capitalisation of profits or reserves.

As per the certificate dated September 30, 2019, issued by Walker Chandio & Co. LLP, the ESOP 2017 is in compliance with the SEBI ESOP Regulations. Further details in relation to ESOP 2017 are as follows:

Particulars	Details
Options granted:	1,452,500
The pricing formula:	Fair market value
Vesting Period	Not earlier than 1 year and not later than maximum vesting period of 4 years from the date of grant.
Options vested	312,625
Options exercised	Nil
Exercise Price	₹ 300.00
Total number of Equity Shares arising as a result of exercise of options	Nil
Options lapsed	199,000
Variation of terms of options	Nil
Money realised by exercise of options	Nil
Total number of options in force	1,253,500
Employee-wise details of options granted to:	
i. Senior managerial personnel, i.e., Directors and key management personnel	Details as included in "Note 1".
ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during that year	Details as included in "Note 2".
iii. Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and	Nil

Particulars	Details
conversions) of our Company at the time of grant	
Diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	N.A. as these options were issued after the date of the last audited financial statements.
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that will have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company	N.A.
Weighted-average exercise prices and weighted-average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	N.A. as these options were issued using fair value of the Equity Shares
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	Discounted cash flow.
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	N.A as these options were issued after the date of the last audited financial statements. Further, Accounting policies as specified in the Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be followed in respect of options granted under ESOP 2017
Intention of the key managerial personnel and whole time directors who are the holders of Equity Shares allotted on exercise of options to grant under an ESOP, to sell their shares within three months after the date of listing of Equity Shares pursuant to the Offer	Not applicable, since no Equity Shares have been allotted under the ESOP 2017 as on the date of this Draft Red Herring Prospectus
Intention to sell Equity Shares arising out of ESOP Scheme within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable, since no Equity Shares have been allotted under the ESOP 2017 as on the date of this Draft Red Herring Prospectus.

Note 1: Details regarding options granted under the ESOP 2017 to the senior managerial personnel i.e. Directors and Key Management Personnel of our Company are set forth below:

Name of senior managerial personnel	Total number of options granted	Total number of options cancelled/forfeited	Total number of options outstanding
Rahul Pandey	150,000	Nil	150,000
Suresh Jankar	40,000	Nil	40,000
James Mills	40,000	Nil	40,000

<b>Name of senior managerial personnel</b>	<b>Total number of options granted</b>	<b>Total number of options cancelled/forfeited</b>	<b>Total number of options outstanding</b>
Tushar Agnihotri	40,000	Nil	40,000
Sharad Kumar	40,000	Nil	40,000
Gautam Badalia	30,000	Nil	30,000

Note 2: Employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year, under the ESOP 2017 are set forth below:

<b>Name of employee</b>	<b>Number of options granted</b>
Rahul Pandey	150,000

11. Our Company has not allotted any shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or provisions of Section 230 to 234 of the Companies Act, 2013.
12. Our Company, our Directors or the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares or other specified securities of our Company.
13. Our Promoters, other members of our promoter group, our Directors or their immediate relatives have not sold or purchased any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of this Draft Red Herring Prospectus.
14. There have been no financing arrangements whereby our Promoters, our Directors, and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months preceding the date of filing of this Draft Red Herring Prospectus.
15. Except for Equity Shares that may be allotted pursuant to the conversion of employee stock options granted under the ESOP 2017 and the Pre- IPO Placement, there is no proposal or intention, negotiations and consideration of the Company to alter the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public offer of specified securities, within a period of six months from the date of opening of the Offer.

#### **16. Shareholding of our Directors and Key Managerial Personnel in our Company**

Other than as set forth below, none of the Directors and Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>No. of Equity Shares</b>	<b>Percentage of pre-Offer capital (%)</b>
1.	Chandrakant Gupta	Chairman and Non-executive Director	2,300,000	4.60
2.	Sandipkumar Gupta	Non-executive Director	14,400,000	28.80
3.	Rajdipkumar Gupta	Managing Director and Group Chief Executive Officer	14,400,000	28.80

17. As on the date of this Draft Red Herring Prospectus, our Company has 11 shareholders.
18. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
19. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates, as defined under the Securities and Exchanges Board of India (Merchant Bankers) Regulations, 1992, as amended do not hold any Equity Shares.

20. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the promoter group during the period between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.

## OBJECTS OF THE OFFER

The Offer consists of a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹ 2,400.00 million and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 3,600.00 million by the Selling Shareholders.

### The Proceeds from the Offer for Sale

The proceeds from the Offer for Sale (net of Offer related expenses of the Selling Shareholders) shall be received by the Selling Shareholders and our Company shall not receive any proceeds from the Offer for Sale.

### Objects of the Fresh Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Repayment or pre-payment, in full or part, of certain borrowings of our Company;
2. Acquisitions and other strategic initiatives;
3. Purchase of office premises in Mumbai; and
4. General corporate purposes.

(Collectively, referred to herein as the “Objects”).

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue.

### Net Proceeds

The details of the proceeds of the Fresh Issue are summarized below:

Particulars	Estimated Amount* (in ₹ million)
Gross proceeds from the Fresh Issue*	2,400.00
Less: Offer related expenses to be borne by our Company#	[●]
Net Proceeds**	[●]

*\* Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer prior to completion of the Offer.*

*\*\*Will be incorporated after finalization of the Offer Price and updated in the Prospectus at the time of filing with the RoC.*

*#Upon the listing and trading of the Equity Shares on the Stock Exchanges, all Offer related expenses shall be shared in the proportion mutually agreed between the Company and the Selling Shareholders in accordance with applicable law.*

### Means of Finance

The fund requirements set out for the aforesaid objects of the Fresh Issue are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals as required under Regulation 7 (1) (e) the SEBI ICDR Regulations.

### Requirement of Funds, Utilisation of Net Proceeds and Schedule of Implementation

The Net Proceeds are proposed to be utilised in accordance with the details provided in the following table:

(in ₹ million)

Particulars	Estimated schedule of deployment of Net Proceeds in Fiscal 2020	Estimated schedule of deployment of Net Proceeds in Fiscal 2021	Total
Repayment or pre-payment, in full or part, of certain borrowings of our Company	369.00	-	<b>369.00</b>
Acquisitions and other strategic initiatives	475.00	355.00	<b>830.00</b>
Purchase of office premises in Mumbai	650.00	-	<b>650.00</b>
General corporate purposes*	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

\*To be finalized upon determination of Offer Price. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects during Fiscal 2020 and Fiscal 2021. In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met, the same shall be utilised in the next Fiscal. Similarly, subject to our business considerations, our Company may also use the Net Proceeds in the preceding Fiscal, if it is in the best interests of our Company.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, valid property dossier/quotation and present market conditions. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment. Further, if the Net Proceeds are not completely utilised for the objects stated above by Fiscal 2021 due to factors which may include, but are not limited to, (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Offer; (iv) market conditions outside the control of our Company; and (v) other commercial considerations; the same would be utilised (in part or full) in Fiscal 2022 or a subsequent period as may be determined by our Company in accordance with applicable law. Please also refer to the sub-section titled “Risk Factors –Our funding requirements and proposed deployment of the Net Proceeds of the Offer are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control” on page 23.

Subject to applicable laws, in the event of increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Alternatively, if the actual utilisation towards any of the objects is lower than the proposed deployment, then such balance will be used for future growth opportunities including, funding existing objects (if required) and general corporate purposes, subject to applicable laws.

Further, any additional costs, apart from the contingencies mentioned for the respective Objects, incurred towards applicable taxes, freight charges, exchange rate fluctuations, etc. in relation to any of the Objects, will be met from internal accruals of our Company.

### Details of Objects of the Fresh Issue

#### 1. Repayment or pre-payment, in full or part, of certain borrowings of our Company:

Our Company proposes to utilize ₹ 369.00 million from the Net Proceeds towards repayment or prepayment, in part or in full, of certain borrowings of our Company. We believe that such repayment/pre-payment will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of our accruals for further investment in our business growth and expansion.

The following table provides details of outstanding loan facilities availed by our Company, which are proposed to be repaid/pre-paid, in part or in full, from the Net Proceeds to the extent of ₹ 369.00 million:

#### *Our Facility with Yes Bank Limited (“YBL”)*

<b>Type of Loan</b>	Working Capital Limit – Cash Credit
<b>Sanctioned amount (₹ in million)</b>	70.00
<b>Amount outstanding as on September 25, 2019 (₹ in million)</b>	69.65 (including accrued interest)
<b>Rate of Interest / Commission</b>	6 month MCLR + 1.50% per annum, currently 11% per annum
<b>Tenor / Period</b>	Cash Credit – Maximum 12 months
<b>Purpose</b>	Working Capital
<b>Security Provided</b>	Exclusive charge over the current assets of the firm and movable fixed assets (both present and future)
	Equitable mortgage of commercial property situated in Mumbai constituting security cover of 0.99x. Address: Office No.401 and 408, 4th floor, Evershine Mall, Survey No.445, Hissa no.2, Link Road, Malad, Mumbai.
	Personal guarantee of Sandipkumar Gupta, Rajdipkumar Gupta and Chandrakant Gupta

*As per the certificate dated September 30, 2019, issued by our Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants, the amounts drawn-down under the aforementioned borrowings have been utilized towards the purposes for which such borrowings have been availed.*

#### **Our Facility with Kotak Mahindra Bank**

<b>Type of Loan</b>	Working Capital Limit
<b>Sanctioned amount (₹ in million)</b>	390.00
<b>Amount outstanding as on September 25, 2019 (₹ in million)</b>	300.00
<b>Rate of Interest / Commission</b>	8.25% linked to one month MCLR Interest rate will be reset on the first date of the calendar months with respect to applicable MCLR of Kotak Mahindra Bank Limited, excluding the month of disbursement
<b>Tenor / Period</b>	Maximum 13 months
<b>Purpose</b>	Working capital
<b>Security Provided</b>	Pledge of Open-Ended Debt Mutual Fund units of Axis Banking and PSU Debt Fund and/or L&T Triple Ace Bond Fund belonging to the Company and acceptable to Bank with minimum security cover of 105.25% or Fixed Deposit under lien with minimum security cover of 100%.
	Additional security to be called in case cover falls to 103% and security to be liquidated immediately if top up not done within 7 days or cover falls below 102%

*As per the certificate dated September 30, 2019, issued by our Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants, the amounts drawn-down under the aforementioned borrowings have been utilized towards the purposes for which such borrowings have been availed.*

Given the nature of the loan facilities and the terms of repayment, the aggregate outstanding loan amounts under the loan facilities identified above may vary from time to time. In addition, we may, from time to time, pre-pay, repay, refinance, enter into further financing arrangements or draw down funds from existing facility. In such cases, we may utilize the Net Proceeds towards repayment/ pre-payment, in part or full, of such additional indebtedness which will be selected based on various commercial considerations including, amongst others, the interest rate on the loan facilities, the amount of the loan outstanding and the remaining tenor of the loan, any conditions attached to the borrowings restricting our ability to repay the borrowings, receipt of consents for pre-payment from the respective lenders and applicable law governing such borrowings. However, the aggregate amount to be utilised from the Net Proceeds towards repayment, would not exceed ₹ 369.00 million.

We may be required to notify some of our lenders prior to the repayment/ pre-payment, which we shall do prior to



such repayment/ pre-payment. Some of our loan agreements and other financing arrangements provide for requirement of prior consent or notice to lender and/or for the levy of prepayment penalties or premiums, which may be dependent on the repayment / pre-payment being made on dates other than those specified in the relevant documents, to be calculated based on the amount outstanding / being pre-paid, as applicable. See *“Risk Factors –Our indebtedness and the restrictions imposed by our financing agreements could adversely affect our ability to conduct our business and operations.”* on page 23. We will take such provisions also into consideration while deciding repayment and / or pre-payment of loans from the Net Proceeds. Payment of such pre-payment penalty or premium, if any, shall be made by our Company out of our internal accruals.

## 2. Acquisitions and other strategic initiatives

One of our strategies is to expand our global presence and/or our product offering inorganically through acquisition of companies that complement our competencies. We believe that we have, and we will benefit significantly from the acquisitions undertaken by us in the past. We keep on monitoring and identifying any strategic opportunities that would be a good fit with our business. The table below summarizes the acquisitions that we have undertaken over the recent past:

Name of Entity	Shareholding	Country of Incorporation	Year of acquisition
365squared Limited	100%	Malta	2017
Call 2 Connect India Private Limited	100%	India	2017
Start Corp India Private Limited	100%	India	2016
Cellent Technologies (India) Private Limited	100%	India	2016

These acquisitions have been done with a view to enhance our geographical presence, expand our product lines, and delivery capabilities across a broader domain and we further seek to enhance our position as a specialized player in the cloud-based communication service industry. For example, in September 2017, we acquired 100 percent shareholding in 365squared Limited, a company incorporated under the laws of Malta, which operates in SMS filtering, analytics and monetization. We believe this acquisition will help us in monetizing A2P in our Company beside the commercial application of SMS filtering and analytics that would be deployed by 365squared Limited and also allows us to become the gateway for A2P traffic. The benefits that we have derived from each of the past acquisitions are listed below:

- The acquisition of Cellent Technologies and Start Corp have enabled us to strengthen its presence primarily in the Middle East;
- The acquisition of Call2Connect has enabled us to add a new service offering, viz. voice, non-voice and consulting BPO services; and
- 365squared acquisition has enabled us to add a new product line, viz. SMS filtering, analytics and monetization.

### Rationale for acquisitions:

The following are the benefits which we typically intend to derive from our acquisitions:

#### (a) To increase our service offerings and expand our product line

We cater to customers across different business verticals. We often receive requests from existing clients as well as new customers to provide certain services which are not part of our current service offering. We typically seek to acquire companies which provide such services and those which would help us grow our service offerings. Additionally, we look at acquisitions that help us obtain a more localized knowledge about the requirements of a particular market or client. Further, we will also look at acquiring companies which will enable us to foray into newer technologies, newer service/product offerings, or plug in gaps in the mobile communications eco-system/value chain where we are currently not present.

#### (b) Enhancing our geographical reach

One of our strategies is to increase our customer base and revenue from the geographies where we do not have presence as on date. In this context, we seek to acquire entities which have a geographical presence in these regions that would help us to either establish our presence in newer markets with the potential to enhance our global positioning, to consolidate our sourcing for cost savings or enhance our service offerings in these regions.

Towards this end, we propose to target companies that:

- have expertise in the domain we operate in;
- offer strong strategic fit to our existing business(es) or serving connected extensions;
- have new customers that we can serve with our existing capabilities;
- newer technological platform/services;
- have new capabilities to serve existing customers;
- have a good client base;
- enhance our geographical reach; and
- have a strong management team.

We intend to utilise ₹ 830.00 million from the Net Proceeds towards potential acquisitions and strategic initiatives. Route Mobile (UK) Limited entered into a share purchase agreement dated September 21, 2017 (“**Acquisition SPA**”) with Tonio Ellul, Roneel Prasad, Christopher Bianco and 365squared Limited. Route Mobile (UK) Limited has acquired 100% of the shareholding of 365squared Limited that is 2,001 ordinary shares, on October 1, 2017 for an aggregate consideration comprising upfront consideration and earn out amount (“**Acquisition Cost**”). As per the Acquisition SPA, the upfront consideration was Euro 10.00 million, subject to certain adjustments, which has been paid. Further, Route Mobile (UK) Limited entered into a supplemental agreement dated September 24, 2019 (“**Supplemental Agreement**”) to the Acquisition SPA with Tonio Ellul, Roneel Prasad, Christopher Bianco and 365squared Limited. The Supplemental Agreement fixed the earnout amount to Euro 9,090,392 equivalent to ₹ 710.32 million (Exchange rate of ₹ 78.14 = 1 Euro, September 24, 2019 ([www.fbil.org.in](http://www.fbil.org.in))), out of which our Company may pay the final installment of ₹ 475.00 million, from the ₹ 830.00 million earmarked towards potential acquisitions and strategic initiatives, through investment in our wholly owned subsidiary Route Mobile (UK) Limited by way of either equity or debt.

As on the date of this Draft Red Herring Prospectus, other than the Acquisition SPA and Supplemental Agreement as mentioned above, we have not entered into any definitive agreements towards any future acquisitions or strategic initiatives. The amount of Net Proceeds identified for acquisitions is based on our management’s estimates. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of strategic initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital.

These factors will also determine the form of investment for these potential strategic initiatives, i.e., whether they will be directly done by our Company or through investments in our Subsidiaries in the form of equity, debt or any other instrument or combination thereof. At this stage, our Company cannot determine whether the form of investment will be equity, debt or any other instrument or combination thereof. The portion of the Net Proceeds allocated towards this Object may not be the total value or cost of any such acquisitions, but is expected to provide us with sufficient financial leverage to enter into binding agreements.

In the event that there is a shortfall of funds required for such acquisitions and / or strategic initiatives then, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals. In case the shortfall cannot be met through internal accruals or out of the amounts allocated for general corporate purposes then we shall borrow from the domestic/international market and, if required, the promoters may, at their sole discretion, provide such credit enhancement to the lenders as may be mutually agreed with the lenders. In the event that there is a surplus, such amounts shall be utilised towards other objects or general corporate purposes.

### **3. Purchase of office premises in Mumbai**

Based on our current business strategy of focusing on our India business and continuing our effort to reduce our lease rental expenses, we are in the process of purchase of a property in Mumbai. Our lease rental expense for the year

ended March 31, 2019 was ₹ 64.21 million, of which, ₹ 41.63 million was towards our office premises in Mumbai. The purchase of the property in Mumbai could help in significant reduction in the lease rental costs.

We propose to purchase an office space with approximately 55,000 sq. ft. of useable area located in the vicinity of Malad and Goregaon suburbs in Mumbai by utilizing ₹ 650.00 million from the Net Proceeds. We believe this will reduce our lease rental costs and improve our operational efficiencies.

We propose to purchase such office space through an out-right sale in a completed and ready-for-possession project. We have received a property dossier from Jones Lang LaSalle Property Consultants (India) Private Limited, a real estate consultant having its registered office located at No 1110, Level 11, Ashoka Estate, 24 Barakhamba Road, New Delhi 110 001 (“JLL”), on September 20, 2019 capturing the feasibility and market price assessment for such proposed purchase of an office premises at vicinity of Malad and Goregaon area in Mumbai. Neither our Company nor our Promoters or our Directors have entered into any transaction with JLL relating to the purchase of property completed within the two preceding years from the date of this Draft Red Herring and have no interest, direct or indirect, in the property to be acquired from the Net Proceeds of the Fresh Issue. As on date of this Draft Red Herring Prospectus, our Company has not purchased any property, which is to be paid for wholly or partly out of the proceeds of the Offer or the purchase or acquisition of which has not been completed.

The indicative cost per square feet for outright acquisition of such office premises, which comprises a cost estimate ranging from ₹ 15,000 – ₹ 16,000 per sq. ft. (based on the prevailing market rates) for an office space measuring approximately 55,000 sq. ft. aggregating cost ranging from ₹ 825.00 million to ₹ 880.00 million for which we intend to utilise ₹ 650.00 million from Net Proceeds and the remaining amount through internal accruals and/or debt. The cost estimate excludes stamp duty, registration cost, maintenance deposits, car parking, etc.

In the event that there is a shortfall of funds required for the purchase of office premises then, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals. In case the shortfall cannot be met through internal accruals or out of the amounts allocated for general corporate purposes then we shall borrow from the domestic/international market and, if required, the promoters may, at their sole discretion, provide such credit enhancement to the lenders as may be mutually agreed with the lenders. In the event that there is a surplus, such amounts shall be utilised towards other Objects or general corporate purposes.

#### **4. General Corporate Purposes**

Our Company proposes to deploy the balance Net Proceeds aggregating ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Fresh Issue, in compliance with Regulation 7 (2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include expenses towards strategic initiatives, joint ventures, funding growth opportunities, investment in subsidiaries meeting expenses incurred in the ordinary course of business, meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by the Board of Directors or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act. Our Company’s management, in accordance with the policies of the Board of Directors and subject to applicable laws, will have flexibility in utilising surplus amounts, if any.

#### **Offer Expenses**

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the Book Running Lead Managers, fees payable to legal counsels, fees payable to the Registrar to the Offer, Escrow Collection Bank to the Offer and Sponsor Bank, including processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for listing fees which shall be solely borne by our Company, all Offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling

Shareholders in the Offer for Sale. However, in the event that the Offer is withdrawn by our Company or not completed for any reason whatsoever, all the Offer expenses will be solely borne by our Company. The break up for the estimated Offer expenses is as follows:

Activity	Estimated expenses <sup>(1)</sup> (in ₹ million)^	As a % of the total estimated expenses <sup>(1)</sup>	As a % of the total Offer	As a % of the total Offer Size <sup>(1)</sup>
BRLMs fees and commissions (including underwriting commission, brokerage and selling commission)	[●]		[●]	[●]
Commission/processing fee for SCSBs and Bankers to the Offer and fee payable to the Sponsor Bank for Bids made by RIBs using UPI <sup>(2)</sup>	[●]		[●]	[●]
Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(3)</sup> and <sup>(4)</sup>	[●]		[●]	[●]
Fees payable to the Registrar to the Offer	[●]		[●]	[●]
Fees payable to the other advisors to the Offer	[●]		[●]	[●]
<b>Others</b>				
Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]		[●]	[●]
Printing and stationery	[●]		[●]	[●]
Advertising and marketing expenses	[●]		[●]	[●]
Fee payable to legal counsels	[●]		[●]	[●]
Miscellaneous	[●]		[●]	[●]
<b>Total estimated Offer expenses</b>	[●]			[●]

^ Exclusive applicable taxes

- 1) Amounts will be finalised on determination of Offer Price
- 2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Investors which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Investors*	[●]/% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Investors*	[●]/% of the Amount Allotted (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

- 3) No processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Investors*	[●]/% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Investors*	[●]/% of the Amount Allotted (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

- 4) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Investors*	[●]/% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Investors*	[●]/% of the Amount Allotted (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

## **Appraisal and Bridge Loans**

The above fund requirements have not been appraised by any bank or financial institution. Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

## **Interim Use of Net Proceeds**

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

## **Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or finance institutions.

## **Monitoring Agency**

Our Company has appointed [●] as the monitoring agency for monitoring the utilisation of the Net Proceeds in accordance with Regulation 41 of the SEBI ICDR Regulations. The monitoring agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till at least 95.00% of the Net Proceeds, excluding the proceeds raised for general corporate purposes, have been utilised. Our Board and our management shall provide their comments on such report of the monitoring agency. Our Company shall thereafter, within 45 days from the end of each quarter, publicly disseminate the report of the monitoring agency by uploading the same on our website as well as submitting the same to the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilisation of the Net Proceeds of the Offer from the objects of the Offer as stated above and details of category wise variation in the actual utilisation of the Net Proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchanges, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised.

## **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue without being authorised to do so by our Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution (“**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is located. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, at such price, and in such manner, as prescribed in Regulation 59 and Schedule XX of the SEBI ICDR Regulations.

## **Other Confirmations**

Apart from the proceeds from the Offer for Sale by the Selling Shareholders in proportion to the Equity Shares being offered by them through the Offer, no part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, our Directors, our Key Managerial Personnel or our Group Companies. Our Company has not entered into and is not planning to enter into any arrangement/agreements with our Promoters, members of our Promoter Group, Group Companies, Directors and Key Managerial Personnel in relation to the utilization of the Net Proceeds. Further, except in the ordinary course of business, there is not existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue as set out above.

## BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders in consultation with the BRLMs on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to “Our Business”, “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 118, 23, 189 and 311 respectively, to have an informed view before making an investment decision.

### Qualitative Factors

We believe the following are our strengths which form the basis for the Offer Price:

- Omni-channel cloud communication platform service provider with diversified service offerings for enterprises;
- MNO focused suite of products;
- Global connectivity through established relationships with MNOs;
- Diversified and global client base across industries serviced locally;
- Scalable delivery platform supported by robust infrastructure;
- Robust business model and consistent financial track record; and
- Experienced Promoters and senior management team.

For further details, see “Risk Factors” and “Our Business – Our Competitive Strengths” on pages 23 and 118, respectively.

### Quantitative Factors

The information presented below relating to our Company is based on the Restated Financial Statements. For details, see “Financial Statements” on page 189.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

#### 1. Basic and Diluted Earnings/Loss per Share (“EPS”)

As per our Restated Financial Statements prepared in accordance with Ind-AS:

Year/Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2019	11.43	11.43	3
March 31, 2018	9.70	9.70	2
March 31, 2017	12.14	12.14	1
<b>Weighted Average</b>	<b>10.97</b>	<b>10.97</b>	

#### Notes:

- The face value of each Equity Share is ₹ 10.*
  - Basic Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of equity shares outstanding during the period/year.*
  - Diluted Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of potential equity shares outstanding during the period/year.*
  - Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights.*
2. **Price Earning Ratio (P/E) in relation to the Offer Price of ₹ [●] per Equity Share of the face value of ₹ 10 each.**

Particulars	As per our Restated Financial Statements
P/E ratio based on Basic EPS for the financial year ended March 31, 2019 at the Floor Price	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2019 at the Floor Price	[●]
P/E ratio based on Basic EPS for the financial year ended March 31, 2019 at the Cap Price	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2019 at the Cap Price	[●]

### Industry P/E ratio

There are no listed entities in India whose business portfolio is comparable with that of our business.

### Return on Net worth (“RoNW”)

#### 3. Return on net worth as per Restated Financial Statements of our Company:

As per our Restated Financial Statements prepared in accordance with Ind-AS:

Year/Period ended	RoNW (%)	Weight
March 31, 2019	25.65%	3
March 31, 2018	28.41%	2
March 31, 2017	47.85%	1
<b>Weighted Average</b>	<b>30.27%</b>	

\* Net Profit after tax, as restated / Net worth, as restated, at the end of the period/year

#### Notes:

- Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e.  $[(\text{Net Worth} \times \text{Weight}) \text{ for each year}] / [\text{Total of weights}]$
- Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at year end.
- Networth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account as per Restated Financial Statement of Assets and Liabilities of the Company.

#### 4. Net Asset Value (NAV) per Equity Share on a consolidated basis

NAV	Consolidated (₹)
As on March 31, 2019	44.56
After the Offer	
- At the Floor Price	[●]
- At the Cap Price	[●]
Offer Price	[●]

#### Notes:

- Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share = Net worth as restated / Number of equity shares as at period/ year end

#### 5. The average cost of acquisition per share by our Promoters, calculated by taking the average of the amounts paid by our Promoters to acquire Equity Shares, is as given below.

Name of Promoter	Average cost of acquisition per Equity Share* (₹)
Sandipkumar Gupta	0.01
Rajdipkumar Gupta	0.01



*\* As certified by M/s. Ramanand and Associates, Chartered Associates, pursuant to certificate dated September 30, 2019.*

## **6. Comparison with Listed Industry Peers**

There are no listed entities in India whose business portfolio is comparable with that of our business.

*Notes:*

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders in consultation with the BRLMs on the basis of assessment of demand from investors for the Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above mentioned information along with “*Risk Factors*”, “*Our Business*” and “*Financial Statements*” on pages 23, 118 and 189 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in “*Risk Factors*” and you may lose all or part of your investments.

## STATEMENT OF TAX BENEFITS

Sr. No.	Details
1.	Possible Special Tax Benefits available to the Company, its Shareholders and its material subsidiaries under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2019 and the Income Tax regulations in the respective countries where the material subsidiaries are located has been prepared by the management of the Company in connection with the proposed offer, which we have stamped and initialed for identification purposes.
2.	Possible Special Tax Benefits available to the Company and its Shareholders and material subsidiaries under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India.

*[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]*

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE APPLICABLE DIRECT TAX LAWS IN INDIA AND IN RESPECTIVE COUNTRIES (IN THE CASE OF MATERIAL SUBSIDIARIES)**

To,

The Board of Directors  
Route Mobile Limited  
4th Dimension, 3rd Floor  
Mind Space, New Link Road  
Malad East – 400064  
Maharashtra, India

**Proposed Offering of securities (“Offer”) in India by Route Mobile Limited (the “Issuer”/” Company”).**

1. This report is issued in accordance with the terms of our engagement letter dated 23 September 2019.
2. The accompanying Statement of Possible Special Tax Benefits available to the Company, its Shareholders and its material subsidiaries (hereinafter referred to as “the Statement”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2019 (hereinafter referred to as the “**Indian Income Tax Regulations**”) and the Income Tax regulations in the respective countries where the material subsidiaries are located has been prepared by the management of the Company in connection with the proposed offer, which we have stamped and initialed for identification purposes.

**Management’s Responsibility**

3. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus is the responsibility of the management of the Company and has been approved by the Executive Committee of the Board of Directors of the Company at its meeting held on 30 September 2019 for the purpose set out in paragraph 9 below. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

**Auditor’s Responsibility**

4. Our work has been carried out in accordance with the Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended, (the ‘ICDR Regulations’) and the Companies Act 2013 (‘Act’), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company, its shareholders and the material subsidiaries of the Company in accordance with Indian Income Tax Regulations and the Income Tax regulations in the respective countries where material subsidiaries are located as at the date of our report.
6. It is imperative to note that we have relied upon a representation from the Management of the Company and confirmations received from the Tax Advisors of the respective overseas material subsidiaries of the Company with respect to the special tax benefits in their respective overseas jurisdictions.

List of material subsidiaries as identified by the Company on the date of signing of this report:

<b>S. No</b>	<b>Name of Subsidiaries</b>	<b>Country</b>
1.	Route Mobile (UK) Limited	United Kingdom
2.	Routesms Solutions FZE	UAE
3.	365Squared LTD	Malta

7. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the Regulations in connection with the offering.

#### **Inherent Limitations**

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders or its material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its shareholders or its material subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the Revenue Authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations and the Income Tax regulations of the respective countries where the material subsidiaries are located, and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We shall not be liable to the Company for any claims, liabilities or expenses arising from facts and disclosure in statement of tax benefits determined to have resulted primarily from bad faith or intentional misrepresentation. We will not be liable to any other person in respect of this Statement.

#### **Opinion**

9. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as of the date of signing of this report, to the Company, its shareholders and its material subsidiaries, in accordance with the Indian Income Tax Regulations and the Income Tax regulations of the respective jurisdiction where the material subsidiaries are located.

Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:

- i. The Company or its shareholders or its material subsidiaries will continue to obtain the benefits per the Statement in future; or
- ii. The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

#### **Restriction on Use**

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus prepared in connection with the Offering to be filed by the Company with the Securities and Exchange Board of India, concerned stock exchanges and Registrar of Companies, Maharashtra at Mumbai. Accordingly, this report should not be reproduced or used for any other purpose without our prior written consent.

**For Walker Chandiok & Co LLP**  
**Chartered Accountants**  
**Firm Registration No. 001076N/N500013**

**Riaz Thingna**  
**Partner**  
**Membership No.: 034864**

**UDIN:** 19034864AAAAAB6690

**Date:** September 30, 2019  
**Place:** Mumbai

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARIES AND SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT TAX LAWS IN INDIA AND IN RESPECTIVE COUNTRIES (IN THE CASE OF MATERIAL SUBSIDIARIES)**

**A. Direct Taxation**

Benefits available to Route Mobile Limited (*formerly known as Routesms Solutions Limited*) ('the Company) including its Material Subsidiaries – viz (i) Route Mobile (UK) Limited – UK; (ii) Routesms Solutions FZE – UAE; and (iii) 365squared Limited – Malta; and the Shareholders of the Company under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act 2019 (hereinafter referred to as 'Indian Income Tax Regulations') and Income Tax regulations in the respective countries where material subsidiaries are located are as under.

**1 Special Tax Benefits available to the Company**

As per section 2 of chapter II of Finance Act 2019 (Rates of Income tax), Income-tax shall be charged at the rates specified in Part III of the First Schedule. Since the Company's turnover is less than Rs. 400 crore in the previous year 2017-18, it can avail special tax rate of 25% (plus applicable surcharge and health and education cess) on the total income.

Dividend received by an Indian company from a specified foreign company (in which it has shareholding of 26% or more) is taxable at 15% (plus applicable surcharge and health and education cess) as per Section 115BBD of the Income Tax Act, 1961 (the "Act").

As per section 115-O of the Act (dealing with Dividend Distribution Tax ("DDT")), distributed profits of domestic companies (i.e. dividends) is chargeable to tax at 15% (plus applicable surcharge and health and education cess). However, as per sub-section (1A) to section 115-O of the Act, the domestic company is allowed to reduce the amount of dividend received from its subsidiary company during the financial year from the dividend distributed by it, while computing the Dividend Distribution Tax ("DDT") if:

- a) the dividend is received from its domestic subsidiary and the subsidiary has paid the DDT payable on such dividend; or
- b) the dividend is received from a foreign subsidiary and the Company has paid tax payable under section 115BBD.

However, the same amount of dividend cannot be taken into account for reduction more than once.

Since the Company has investments in Indian and foreign subsidiaries, it can avail the above mentioned benefit while declaring dividends to its shareholders in case either of the conditions mentioned above are fulfilled.

**2 Special Tax Benefits available to the Material Subsidiaries of the Company**

**Route Mobile (UK) Limited**

- (i) As per Part 1 Chapter 2 of Finance Act 2019 (Corporation tax charge for financial year 2020) corporation tax shall be charged at the rates specified in Part 1 Chapter 7 of the Finance (No.2) Act 2015. The main rate of corporation tax applicable to taxable profits is therefore 19%.

Under CTA09/Part 9A, distribution received by a UK company from a specified subsidiary, UK or foreign, is exempt from UK Corporation Tax.

As per the CTA09/S931E, distribution of the profits falls under the exempt class if the same is paid by the company and that company is controlled/managed/has substantial interest of recipient. The definition of the controlled/managed/has substantial interest is covered ICTA88/S755D of Income and Corporation Taxes Act 1988.

Since Route Mobile (UK) Limited has investments in foreign subsidiaries, it can avail the above-mentioned benefit while receiving dividends from its subsidiaries if the conditions mentioned above are fulfilled.

- (ii) Since 1 April 2008 most businesses, regardless of size, have been able to claim Annual Investment Allowance (AIA) on their expenditure on plant or machinery, up to a specified annual amount each year (subject to certain conditions mentioned below).

Businesses are able to claim the AIA in respect of their expenditure on both main rate and 'special rate' plant and machinery. There are however certain exceptions, set out in section 38B of the Capital Allowances Act 2001 (CAA), the main exception being expenditure on cars.

The AIA is a 100 per cent upfront allowance that applies to qualifying expenditure up to a specified annual limit or cap. Where businesses spend more than the annual limit, any additional qualifying expenditure will attract relief under the normal capital allowances regime, entering either the main rate or the special rate pool, where it will attract writing-down allowances at the main rate or special rate respectively. The applicable AIA is £1,000,000 from January 2019.

- (iii) Route Mobile (UK) Limited is a shareholder of a Maltese company, 365squared Limited. According to Maltese income tax legislation, Maltese companies are subject to corporate tax at the rate of 35% on their worldwide income and capital gains.

Route Mobile (UK) Limited earns dividend income from the Maltese Subsidiary, on which there is no withholding tax or distribution tax. On distribution of dividend, Route Mobile (UK) Limited is entitled to a refund of part of the tax paid by the Maltese company on its profits. The purpose of this imputation system is to eliminate any double taxation that might arise on the distribution of such dividends.

Accordingly, Route Mobile (UK) Limited being shareholder of a Maltese company, 365squared Limited, may be entitled to refund of part of the tax paid by 365squared Limited following the distribution of dividend.

### **Routesms Solutions FZE**

According to the Dubai Income Tax Ordinance of 1969 and the Dubai Income Tax Decree and its amendment in 1970, no profit is subject to Corporate Income Tax except the profit earned by branches of Foreign Banks and Corporates in Oil and Gas producing industry. Thus there is no direct tax applicable to Routesms Solutions FZE.

### **3 Special Tax Benefits available to the Shareholders of the Company**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

#### **Notes:**

1. These special tax benefits are dependent on the Company or its shareholders or its material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Indian Income Tax Regulation and Income Tax regulations of the respective countries where material subsidiaries are located. Hence, the ability of the Company or its shareholders or its material subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders or its material subsidiaries may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.
3. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

- i. the Company or its shareholders or its material subsidiaries will continue to obtain these benefits in future;
- ii. the conditions prescribed for availing the benefits have been/ would be met with; and
- iii. the revenue authorities/courts will concur with the view expressed herein.

The above views are based on the existing provisions of laws which are subject to change from time to time.



To,

**The Board of Directors  
Route Mobile Limited**

3rd Floor, 4th Dimension,  
Rajan Pada, Mindspace,  
Malad West, Mumbai,  
Maharashtra 400064

**Proposed Offering of securities (“Offer”) in India by Route Mobile Limited (the “Issuer” / “Company”).**

1. This report is issued in accordance with the terms of our engagement letter dated 23 September 2019.
2. The accompanying Statement of Possible Special Tax Benefits available to the Company and its Shareholders and material subsidiaries (hereinafter referred to as “**the Statement**”) under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy, presently in force in India (collectively referred as “**Indirect Tax Regulations**”), and also to its the Material Subsidiaries of the Company under the respective tax laws of their country as on the signing date, has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.
3. With respect to the special tax benefits in the overseas jurisdictions in the case of 3 Material Subsidiaries listed below, we have relied upon the Management Representation and confirmation received from the Tax Advisors of the respective Material Subsidiary of the Company as the case may be, as listed in **Annexure I**.
4. Following are the Material Subsidiaries as identified by the Company-

Material Subsidiaries

- Route Mobile (UK) Limited
- 365 Squared Limited
- Routesms Solutions FZE

**Management’s Responsibility**

5. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus is the responsibility of the management of the Company and has been approved by the Executive Committee of the Board of Directors of the Company at its meeting held on 30 September 2019 for the purpose set out in paragraph 9 below. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities

**Auditor’s Responsibility**

6. Our work has been carried out in accordance with Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
7. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the ‘ICDR Regulations’) and the Companies Act 2013 (‘Act’), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the

possible special tax benefits available as of 31 March 2019 to the Company, the shareholders and material subsidiaries of the Company, Indirect Tax Regulations as at the date of our report.

8. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the Regulations in connection with the Offering.

### **Inherent Limitations**

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders or material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders or material subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the Revenue Authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

### **Opinion**

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as of 31 March 2019, to the Company and its shareholders and material subsidiaries, in accordance with the Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:

- i. The Company or its shareholders or material subsidiaries will continue to obtain the benefits per the Statement in future; or
- ii. The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

### **Restriction on Use**

11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus, prepared in connection with the Offering to be filed by the Company with the Securities and Exchange Board of India, the concerned stock exchanges and Registrar of Companies, Maharashtra at Mumbai.

**For Walker Chandiok & Co LLP**

**Chartered Accountants**

Firm Registration No. 001076N/N500013

**Huned Contractor**

**Partner**

**Membership No.:** 41456

**Unique Document Identification Number:** 19041456AAAAAI9489

**Date:** 30 September 2019

**Place:** Mumbai

## **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARIES AND SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE INDIRECT TAX LAWS IN INDIA AND IN RESPECTIVE COUNTRIES (IN THE CASE OF MATERIAL SUBSIDIARIES)**

Benefits available to Route Mobile Limited including (*formerly known as Routesms Solutions Limited*) ('the Company) its Material Subsidiaries – viz (i) Route Mobile (UK) Limited – UK; (ii) Routesms Solutions FZE – UAE; and (iii) 365squared Limited – Malta; and the Shareholders of the Company under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017, Custom Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy are as under (collectively referred as 'Indirect taxes').

### **1. Special Tax Benefits available to the Company**

The Company is engaged in providing enterprise messaging services to their customers in India which attracts GST at the prescribed rates. The Company avails eligible input tax credit and utilizes the same as per the prescribed GST law.

None of any special Indirect tax benefits are available to the Company under the Indirect tax laws in India.

### **2. Special Tax Benefits available to the Material Subsidiaries of the Company**

#### **I. Route Mobile (UK) Limited**

According to provisions of VAT in United Kingdom VAT Notice 741A, supply of services made to the member of the European Union State upon submission of the VAT number are charged at 0% VAT. Accordingly, the Company is discharging the VAT at the rate of 0% on supply to European Union State.

Further, Route Mobile (UK) Limited is also eligible for availment of input tax credit on the corresponding purchases. Such excess input tax credit, on submission of VAT return with the concerned authorities, is automatically refunded to the bank account of Route Mobile (UK) Limited registered with the VAT authorities in United Kingdom.

Apart from above, there are no special Indirect tax benefits available to Route Mobile (UK) Limited in United Kingdom

#### **II. 365squared Limited**

According to provisions of VAT in Malta and rules of place of supply and reverse charge, supply of services made to the member of the European union state upon submission of the VAT number are exempt from the VAT levy in Malta.

The amount of excess credit of a person registered under article 10 for a tax period shall, to the extent that it is not set off against any amount due by that person to the Commissioner in accordance with article 21(1), be a refund payable to that person.

Accordingly 365squared Limited (step down subsidiary) is supplying the services European member state on which VAT has not been chargeable. As result thereof company doesn't have output tax liability to claim any input tax credit and hence the same has been refunded to the company by the Malta government upon refund application.

#### **III. Routesms Solutions FZE**

VAT is applicable with effect from 1 January 2018 in Dubai and the same is applicable to the Routesms Solutions FZE at the prescribed rate.

Further, Routesms Solutions FZE is also eligible for availment of input tax credit of the VAT paid on the corresponding purchases which can be utilized against the output liability.

Apart from above, there are no special Indirect tax benefits available to Routesms Solutions FZE in Dubai

### **3. Special Tax Benefits available to the Shareholders of the Company**

The shareholders of the Company are not eligible to any special tax benefits under the provisions of the Customs Tariff Act, 1975 and/or Central Goods Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, Union Territory Goods and Service Tax Act, 2017 respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Service Tax Rules, 2017, Integrated Goods and Service Tax Rules, 2017, Union Territory Goods and Service Tax Rules, State Goods and Service Tax Rules, 2017 and notifications issued under these Acts and Rules.

Benefits available to Route Mobile Limited including (*formerly known as Routesms Solutions Limited*) ('the Company) its Material Subsidiaries – viz (i) Route Mobile (UK) Limited – UK; (ii) Routesms Solutions FZE – UAE; and (iii) 365squared Limited – Malta; and the Shareholders of the Company under the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017, Custom Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations there under, Foreign Trade Policy are as under (collectively referred as 'Indirect taxes').

**Note:**

1. These special tax benefits are dependent on the Company or its shareholders or material subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders or material subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders or material subsidiaries may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.
4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
  - i. the Company or its shareholders or material subsidiaries will continue to obtain these benefits in future;
  - ii. the conditions prescribed for availing the benefits have been/ would be met with; and
  - iii. the revenue authorities/courts will concur with the view expressed herein.
5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

**For and on behalf of Route Mobile Limited**

(Authorised Signatory)  
Place: Mumbai  
Date: 30 September 2019

## ANNEXURE I

With respect to the special tax benefits in the overseas jurisdictions in the case of 3 Material Subsidiaries listed below, we have relied upon the Management Representation and confirmation received from the Tax Advisors of the respective Material Subsidiary or Branch of the Company as the case may be whose names are as under:

SrNo	Name of the Material Subsidiary including overseas subsidiary	Nature of the Entity	Overseas Jurisdiction	Overseas Tax Advisors of the Company
1.	Route Mobile (UK) Limited	Material Overseas Subsidiary	United Kingdom	Reddy Siddiqui LLP
2.	365 Squared Limited	Material Overseas Subsidiary	Malta	Zampa Debattista
3.	Routesms Solutions FZE	Material Overseas Subsidiary	Dubai	Tamim Chartered Accountants

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from “Mobile Messaging Markets – SMS, MMS, IM, Email, RCS/RCS-e, Social 2012 – 2017” dated September, 2012, “A2P Messaging: Opportunities, Competition & Forecasts 2017 – 2022” dated November, 2017, “The Internet of Things: Consumer, Industrial & Public Services 2016 – 2021” dated December, 2016 (collectively, the “Juniper Reports”) prepared and issued by Juniper Research Limited. Neither we nor any other person connected with the Offer have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

#### Cloud Communication

Cloud communication is an entirely new way to build, deploy, and scale enterprise communications systems. It includes, but is not limited to Voice over Internet Protocol or VoIP, Communication as a Service or CaaS and Unified Communications or UC. It offers enterprises cost-effective communications solutions that combine voice, messaging and data communication services over networks of telecom operators or MNOs. The need for in-house software and hardware resources is replaced with internet-based servers and sites. With growing internet penetration, business models are evolving and cloud communication services are being used by enterprises for streamlining back-end operations as well as for engaging with customers, employees and other stakeholders.

Following are certain consumer facing use-cases for cloud communication services used by enterprises across diverse sectors:

- One Time Passwords or OTPs received through messages while using net banking or online payment gateways for online transactions;
- Message updates related to change in flight schedule or boarding gate from airlines to passengers;
- Transaction confirmation and delivery update message for e-commerce transactions; and
- Soliciting missed calls for supporting a cause and polling for television shows

At present, the following key messaging formats dominate mobile and internet communication:

- *Short Message Service or SMS* – Referred to colloquially as a ‘text message’, or simply as a ‘text’. An individual SMS is 160 characters in length, though several can be strung together to create longer messages – but nevertheless being billed per 160 character “message”;
- *Multimedia Messaging Service or MMS* – Referred to colloquially as a ‘picture message’, though this tag is based on its predominant usage. MMS also facilitates sending of audio and video files, and is becoming more common as handset and network technologies develop;
- *Instant Messaging or IM* – Referred to within the industry variously as either Over-the-Top or OTT owing to the fact that the message is carried over networks of MNOs as ‘anonymous’ data, and billed to the end-user as such, rather than as a SMS or MMS that is billed on a per message basis or internet protocol or IP based (because



messaging service uses IP). IM has the ability to provide text, picture and video messaging, as well as file-sharing. These services are perceived as being in competition with SMS/MMS (and consequently, with MNOs);

- *Email* – Arguably the personal computer equivalent of SMS. In general, this market is considered to have less in common (and consequently, not in competition) with other forms of messaging, being more formal or less conversational (with mobile being on-the-go communication, as opposed to in-depth); and
- *Social Messaging* – This includes posting messages or uploading photo/video content to social networks like Facebook and micro-blogging via services such as Twitter.

IM, Email and Social Messaging require an internet enabled device.

The table below summarizes key drivers as well as constraints for these formats.

Format	Drivers	Constraints
SMS	Ubiquitous: Unlike IM and Social Messaging, SMS is a near ubiquitous technology with almost every handset in the world capable of receiving text messages, and three-quarters of mobile handset users actively using it	Perception: Outdated. There is a perception, that SMS is outdated and IP messaging can offer more both from an MNO and end-user perspective
	Reach: SMS can be sent to almost any of the 7.71 billion mobile subscribers globally, on virtually any network, in any market	Power of "free": OTT messaging business models, which are typically ad-funded or subscription based (which work out to be less expensive than SMS), are disrupting the market, leading end-users to expect messaging services to be free or, at least, less expensive
	Reliability: SMS is not dependent on mobile broadband connectivity, unlike IM and Social Messaging	Regulatory: Roaming regulations in Europe have reduced the price. MNOs can charge for messaging while roaming on other networks
MMS	Camera technology: Smartphone cameras continue to improve, approaching the image/video quality of compact digital cameras, promoting sharing	Pricing models in certain markets: MMS pricing in Western Europe, in particular, has constrained adoption and usage of service
	Integration into messaging user interface: Smartphones are making it easier to send an MMS, with greater integration into physical and digital interface	
Internet Messaging and Social Messaging	Smartphone and tablet adoption: Application ecosystems for these devices have enabled MNOs to distribute applications and “smarter” devices capable of running native apps are essential to adoption	Fragmented communities: Many IM communities are fragmented (with the exception of aggregative services), not providing interconnection with users signed up to other services
	3G/4G adoption: Mobile broadband coverage and bandwidth is driving these services, and continued roll-out of more advanced networks will add to the attractiveness of these services. As of 2017, there are 3.0 billion subscribers using OTT messaging applications	Reliance on mobile broadband: Some argue IM requires WiFi connectivity to provide an acceptable user experience. Even if users find 3G/4G bandwidth sufficient, they are dependent on coverage which is not always available
	Power of "free": OTT messaging are typically funded by advertising and are therefore free to the end-user, and with the ability of many smartphones and tablets to	Impact on battery life: Like many other mobile applications which run constantly in the background, it is argued IM applications drain battery power, leading to a poor user experience

Format	Drivers	Constraints
	connect via WiFi, users will only pay the cost of fixed-line subscriptions (which is often cheaper than mobile broadband per megabyte)	
	Business model unsustainable: Some in the industry have questioned whether IM and Social Messaging can have a sustainable business model	Market instability: Related to the above, some IM and Social Messaging services have not remained in-business for long periods

Cloud communication involves the following sender – recipient relationships:

- *Application-to-Person or A2P* – An automated message sent by a software application to a device controlled by a human being. For instance, a message containing an OTP for an online payment. Given the infrastructure needed for this type of application, it will more likely be acting on behalf of an enterprise, while the recipient could be a potential or existing customer, business client or employee;
- *Person-to-Application or P2A* – A message sent by a device controlled by a human to a software application. For instance, a missed call for voting in support of a television reality show contestant;
- *Machine-to-Machine or M2M* – A message sent by a device controlled by a software application to another software application. For instance, a vehicle manufacturer’s measurements of a car’s health can offer advice as regards pre-emptive maintenance before more serious events occur that might incur increased repair costs. This allows the vehicle manufacturer to maintain a good relationship with the consumer and improve brand loyalty. M2M is the critical connectivity enabler for Internet of Things or IoT.

A2P and P2A messaging are referred interchangeably due to the fact that these types of messages are often two sides of a ‘conversation’. For instance, a customer (person) sends a P2A message to her bank (or rather, an application on its server) requesting account information, and the bank (application) sends an A2P message back to the customer (person) with the requested information.

Due to its reach, ubiquity and reliability, SMS based A2P messaging is currently the largest enterprise cloud communication segment. A2P voice is a sub-scale, but fast growing segment. IoT, currently at a conceptual stage, represents the concept of providing a connected digital identity to physical objects and networking those identities and their data together. The interconnection of these objects is expected to usher in automation in enterprise workflow, while also enabling advanced applications like a smart grid, and expanding to areas such as smart cities. Analysis of the data that these objects produce aims to improve quality of life, efficiency, create value or reduce costs.

### A2P Messaging

As per Juniper Reports, there are expected to be 7.72 billion mobile subscribers globally at the end of 2017, that are projected to grow at a CAGR of 2.5% to 8.74 billion by 2022.

(in million, except percentages)							
Region	2017	2018	2019	2020	2021	2022	CAGR
North America <sup>1</sup>	426.8	431.8	436.5	440.8	445.1	449.2	1.0%
Latin America <sup>2</sup>	705.3	720.2	734.3	747.4	762.3	773.4	1.9%
Western Europe <sup>3</sup>	542.5	547.8	552.8	557.4	562.1	566.7	0.9%
Central and Eastern Europe <sup>4</sup>	549.6	552.8	555.7	558.2	560.2	561.5	0.4%
Far East and China <sup>5</sup>	1,628.5	1,652.9	1,663.9	1,675.1	1,686.4	1,697.9	0.8%
Indian Subcontinent <sup>6</sup>	1,569.2	1,624.6	1,675.4	1,729.5	1,797.2	1,860.0	3.5%
Rest of Asia Pacific <sup>7</sup>	843.4	871.1	897.9	923.3	949.6	976.8	3.0%
Africa and Middle East <sup>8</sup>	1,450.2	1,533.8	1,615.0	1,694.2	1,773.1	1,854.9	5.0%
<b>Global</b>	<b>7,715.6</b>	<b>7,935.0</b>	<b>8,131.5</b>	<b>8,326.0</b>	<b>8,536.0</b>	<b>8,740.6</b>	<b>2.5%</b>

1. North America – Canada and USA.

2. Latin America – Argentina, Aruba, Bahamas, Barbados, Belize, Bolivia, Brazil and Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, French Guiana, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico, Netherlands Antilles, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Surinam, Trinidad and Tobago, Turks and Caicos Islands, Uruguay, Venezuela, Virgin Islands.

3. Western Europe – Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, UK.

4. Central and Eastern Europe – Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia, Serbia/Montenegro, Slovakia, Slovenia, Turkey, Ukraine.

5. Far East and China – China, Hong Kong, Japan, Macao, South Korea, Taiwan.

6. Indian Sub Continent – Bangladesh, India, Nepal, Pakistan, Sri Lanka.

7. Rest of Asia Pacific – Australia, Brunei, Fiji, New Caledonia, New Zealand, Cambodia, Indonesia, Laos, Malaysia, Maldives, Mongolia, Myanmar, Philippines, Singapore, Thailand, Vietnam.

8. Africa and Middle East – Countries in the African continent and Turkey, Iraq, Saudi Arabia, Yemen, Syria, United Arab Emirates, Israel, Jordan, Palestine, Lebanon, Oman, Kuwait, Qatar, Bahrain, Iran

Despite being the oldest form of value-added services, SMS, the most prominent form of mobile messaging, remains a key part of MNO revenues. Time and time again, the word that is used to define the success of SMS is its ubiquity. The penetration of mobile devices, the number of devices that support SMS, and the number of mobile subscribers that engage in it are so large, that as a messaging channel it is unrivalled. The vintage of SMS, which with most technologies are perceived as a hindrance, is its real strength. It has been around for so long that almost everyone can do it, and almost everyone does.

Furthermore, the simplicity of SMS makes it so versatile that the potential usage of it is wide-ranging, meaning that it has been adopted in a huge number of ways beyond simple P2P communication. A2P and P2A SMS are increasing as a proportion of SMS traffic, with enterprises finding that the ubiquity of SMS and the wide coverage of MNOs make it an ideal channel to communicate with their customers, employees and other stakeholders.

Globally, profitability of MNOs is declining due to increasing competition from mobile virtual network operators or MVNOs, emergence of OTT messaging services like WhatsApp, increasing communication over social media and low Average Revenue per User or ARPU in rural segments of emerging markets which are the overwhelming majority of new subscriber additions. Growth in OTT messaging services has threatened revenues of MNOs, with P2P SMS being a major casualty.

For instance, in the Netherlands, where WhatsApp rapidly gained traction, KPN experienced a 60% decline in P2P SMS usage levels between 2011 and 2013. KPN has subsequently not published messaging data. Similar declines have also been reported in South Korea following the widespread adoption of KakaoTalk, while OTT adoption in China since 2013 has seen SMS volumes decline. P2P SMS revenue for MNOs declined at a rate of 18.8% globally between 2013 and 2015. Average SMS sent per subscriber per month are projected to further decline at a CAGR of 4.7% globally, with North America witnessing a steeper decline of 9.0%.

The table below sets out the projected decline in average SMS sent per subscribers per month over the periods indicated.

<i>(in million, except percentages)</i>							
<b>Region</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>CAGR</b>
North America	640.9	590.2	542.2	492.8	444.2	400.4	-9.0%
Latin America	85.5	82.5	79.7	77.1	74.4	71.8	-3.4%
Western Europe	66.2	64.8	63.0	60.9	58.6	56.4	-3.2%
Central and Eastern Europe	114.7	112.5	109.6	105.9	101.4	97.1	-3.3%
Far East and China	54.4	52.3	50.4	48.3	46.3	44.3	-4.0%
Indian Subcontinent	90.8	88.4	86.0	82.8	78.2	73.6	-4.1%
Rest of Asia Pacific	242.0	243.9	244.7	244.8	238.7	232.8	-0.8%
Africa and Middle East	116.3	115.8	111.3	104.4	96.4	89.0	-5.2%
<b>Global</b>	<b>134.6</b>	<b>130.1</b>	<b>125.2</b>	<b>119.5</b>	<b>112.5</b>	<b>106.0</b>	<b>-4.7%</b>

For MNOs, SMS has historically been by far and away the most valuable data service. As consumers migrate to OTT messaging, the value to them of P2P SMS comes into question. Hence, there is an increasing attraction of being able to charge enterprises a premium for their A2P messaging.

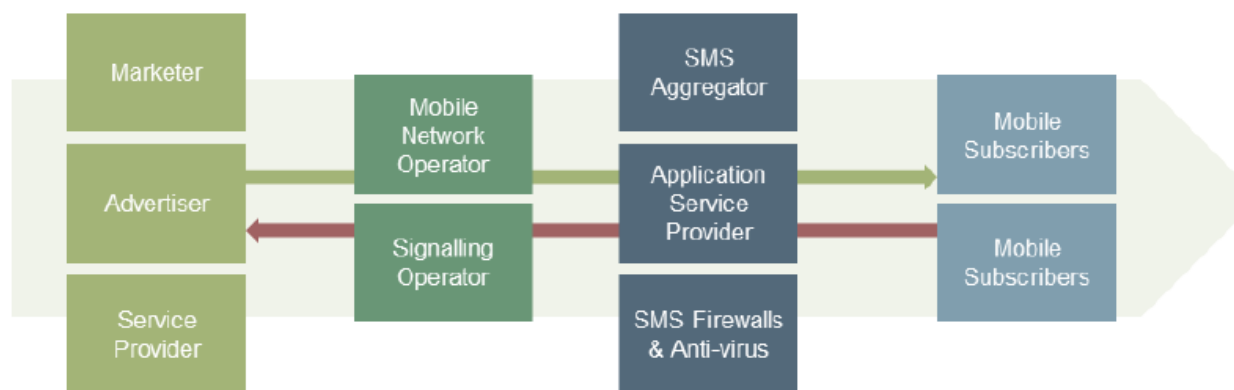
As per the Juniper Reports, the size of the global A2P messaging market (including only directly connected A2P revenue) was US\$ 37.9 billion in 2017 and is projected to grow at a CAGR of 4.4%. Emerging markets like Latin America, Africa and Middle East are expected to grow faster.

The table below sets out the projected increase in the size of the A2P market across the regions identified and in the periods indicated.

*(in USD million, except percentages)*

Region	2017	2018	2019	2020	2021	2022	CAGR
North America	14,484.0	15,688.8	16,981.0	17,741.5	17,952.4	18,074.2	4.5%
Latin America	2,800.2	3,279.9	3,732.1	4,157.1	4,527.9	4,912.7	11.9%
Western Europe	3,244.1	3,477.1	3,703.6	3,914.1	4,127.6	4,340.7	6.0%
Central and Eastern Europe	2,673.1	2,905.5	3,114.2	3,165.6	3,154.2	3,123.2	3.2%
Far East and China	8,246.0	8,363.0	8,411.5	8,323.0	8,209.8	8,095.5	-0.4%
Indian Subcontinent	1,924.3	2,107.3	2,237.5	2,322.2	2,345.8	2,359.7	4.2%
Rest of Asia Pacific	2,258.2	2,462.9	2,654.7	2,831.3	2,922.2	3,013.6	5.9%
Africa and Middle East	2,246.1	2,590.3	2,839.3	2,932.2	2,966.3	2,991.0	5.9%
<b>Global</b>	<b>37,876.1</b>	<b>40,874.8</b>	<b>43,673.8</b>	<b>45,387.1</b>	<b>46,206.1</b>	<b>46,910.6</b>	<b>4.4%</b>

The schematic below provides an illustration of the A2P messaging value chain:



SMS aggregators (pure play aggregators or cloud communication companies) operate the gateways that provide the connectivity to the networks of MNOs for enterprises seeking to use A2P messaging. Tier 1 aggregators, processing over one billion A2P messages per annum, typically rely primarily on direct connectivity to the MNO's SS7 network, using the Short Message Peer to Peer or SMPP protocol. However, below these Tier 1 players are numerous smaller players, often processing far smaller numbers (tens or hundreds of millions) of A2P messages per annum, in many cases wholly reliant on grey routes to deliver their messages.

SMS firewalls provide protection against malicious attacks, unsolicited SMS and fraud. Next-generation firewall providers are capable of identifying (and blocking) grey route traffic, thereby increasing the monetization of legitimate traffic. A number of firewall providers also allow operators to understand the profile of the messaging traffic by conducting analytics of the traffic flow.

Tier 1 players can fulfill multiple roles within the value chain. Several of the Tier 1 players within SMS aggregation are also amongst the market leaders for firewalls.

#### *A2P Messaging Market – Key trends*

##### Rise of grey route traffic

Grey route A2P traffic is essentially traffic which is sent in violation of the MNO's terms and conditions, circumventing the MNOs own systems and from which the MNOs cannot generate any revenues. This traffic is primarily P2P in origin; the grey route opportunity was essentially created when MNOs sought to make a distinction between A2P and P2P traffic to better monetize the former. In so doing, and by charging a premium for directly connected A2P traffic, they created the conditions for a number of SMS aggregators to deliver A2P traffic via non-interconnected routes.

Inter-operator competition and the emergence of OTT messaging services led MNOs to offer SMS bundles (often unlimited) at low prices. In emerging markets, a number of MNOs and MVNOs now offer large text bundles for less than a dollar. For example, Telenor Pakistan had offers of a bundle of 10,000 SMS for just PKR40 (\$0.38). These bundles are being used to fulfill A2P messaging, and are ideal for those players without the capability or inclination to seek direct connectivity with MNOs through AA19 agreements.

Furthermore, routing traffic via networks in a third country also allows SMS aggregators to save money via arbitrage, as they take advantage of the different settlement rates of the countries concerned. This means that even in markets where there are AA19 agreements between the MNOs (which define the charges of terminating messages between their networks), the MNOs concerned will only generate minimal revenues per message.

Following is the projected share of grey route SMS traffic:

Region	2017	2018	2019	2020	2021	2022
North America	36.8%	33.1%	29.8%	26.8%	24.1%	21.7%
Latin America	42.4%	40.3%	38.3%	36.4%	34.6%	32.8%
Western Europe	17.0%	15.3%	13.7%	12.3%	11.1%	9.9%
Central and Eastern Europe	14.9%	14.2%	13.5%	12.9%	12.2%	11.6%
Far East and China	7.6%	7.1%	6.7%	6.3%	5.9%	5.5%
Indian Subcontinent	46.3%	44.4%	42.5%	40.5%	38.4%	36.3%
Rest of Asia Pacific	27.4%	26.1%	24.8%	23.5%	22.3%	21.2%
Africa and Middle East	40.4%	38.4%	36.5%	34.7%	32.9%	31.3%
<b>Global</b>	<b>29.9%</b>	<b>28.0%</b>	<b>26.1%</b>	<b>24.4%</b>	<b>22.7%</b>	<b>21.2%</b>

On a global basis, grey route A2P messages cost just 25% of the price of directly connected A2P traffic. In 2015, MNOs lost US\$ 12.2 billion of potential revenue due to grey route traffic. This is driving demand for firewall (SMS filter) solutions amongst MNOs.

#### Into the cloud

Increasingly, Tier 1 SMS aggregators are offering cloud based business grade A2P messaging solutions. These players provide global delivery capabilities through mix of direct and indirect relationships with MNOs across the globe. Such cloud platforms can easily and quickly scale mobile communications while reducing latency and increasing delivery rates. They may also offer a proprietary adaptive routing platform, which routinely tracks millions of data points to immediately determine the fastest and most reliable route to deliver A2P messages.

#### Enterprises demanding faster, reliable A2P traffic

As enterprises increasingly deploy A2P messaging for marketing, alerts and authentication purposes, they want to ensure that messages are delivered and delivered in a timely manner. Many such messages will be time-critical, and failure in this regard could potentially have a serious adverse effect on a brand's standing. For example, as banks increasingly seek to use mobile channels to engage with their customers, any failure to deliver promised alerts, or timely authorizations, would justifiably leave them open to claims for compensation, with higher-profile cases also impacting their brand. It might also lead to a wider disenchantment with A2P messaging as a communication channel.

#### MNOs demanding minimum commitments and consolidating traffic at group level

Current trend is for MNOs to demand a minimum volume commitment from SMS aggregators. Given the underlying financial and risk management requirements, only Tier 1 aggregators in a particular market can make these commitments. Other players either buy from or terminate through these Tier 1 aggregators.

A further key trend is that network operator groups are increasingly seeking to consolidate their A2P services at the group level through the establishment of dedicated units. Where previously national operating companies would arrange the contracts with the SMS aggregators, the contracts are now being executed at their dedicated global units. The rationale being that it will enable the groups to strike harder bargains with the Tier 1 aggregators and to reduce the scale of grey route traffic. Through these units the MNOs can also provide SMS hubs with direct connections, with platforms typically offering features such as high performance routing and low latency delivery.

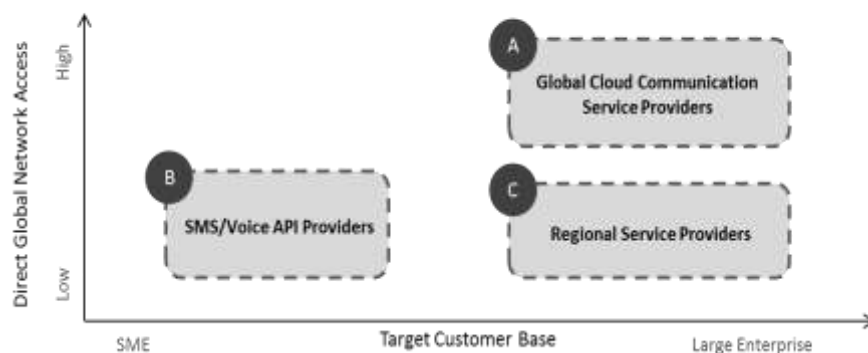
Deutsche Telekom, Telenor, Telefonica and Orange are some of the large global MNOs who have implemented group consolidation. Vodafone, having first established Vodafone Carrier Services in 2013, introduced the Vodafone Messaging Hub in May 2015. The hub now serves the SMS requirements of Vodafone's over 400 million customers worldwide. Additionally, it is being offered as a service to other MNOs and A2P aggregators looking to transit SMS on its network. These hubs are themselves becoming connected to each other. For example, in December 2015, Telefonica and Deutsche Telekom reached an agreement to directly connect their respective A2P messaging hubs.

Cloud communication companies also provide SMS hubs to simplify the interworking between MNOs enabling them to increase their international SMS coverage without entering into multiple bilateral arrangements. Robust SMS hubs prevent fraudsters and spammers from bypassing standard interconnections and delivering messages to mobile subscribers without any extensive control.

### Enterprise Cloud Communication

The enterprise cloud communications market is characterized by a high degree of fragmentation. Players can broadly be categorized into three groups: (i) Global Cloud Communications Service Providers; (ii) Regional Service Providers (including divisions of MNOs); and (iii) Cloud API Providers. These groups can in turn be segmented by their target customers (small and medium enterprises (SMEs) or large enterprises) and their ability to offer direct access to global mobile networks.

Overview of Enterprise Cloud Communications Competitive Landscape



	A: Global Cloud Communication Service Providers	B: Cloud API Providers	C: Regional Service Providers
Mode of Operations	<ul style="list-style-type: none"> <li>Have direct connect with telecom operators</li> <li>Services to SMEs and large enterprises</li> <li>Robust infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Service SMEs through flexible offerings</li> <li>Offer user friendly, easy to integrate applications</li> <li>Relies on global communication service providers</li> </ul>	<ul style="list-style-type: none"> <li>Extremely localized players with minimal tie-ups with telecom operators</li> <li>Typically SMEs and select region specific telecom operators</li> </ul>

	A: Global Cloud Communication Service Providers	B: Cloud API Providers	C: Regional Service Providers
		for communication solution	
<b>Geographic Reach</b>	<ul style="list-style-type: none"> <li>Key telecom markets across the globe</li> </ul>	<ul style="list-style-type: none"> <li>Localized operations</li> </ul>	<ul style="list-style-type: none"> <li>Localized operations</li> </ul>
<b>Quality of Service</b>	<ul style="list-style-type: none"> <li>Wide and direct access and robust platform ensures high SLAs</li> </ul>	<ul style="list-style-type: none"> <li>Focus more on platform than on relationship and high level of service to SMEs</li> </ul>	<ul style="list-style-type: none"> <li>Relatively poor due to non-specialized operations and low reach</li> </ul>
<b>Key players</b>	<ul style="list-style-type: none"> <li>Route Mobile (India)</li> <li>Syniverse (USA)</li> <li>Mblox (USA)</li> <li>SAP Mobile (Germany)</li> <li>CLX (Sweden)</li> </ul>	<ul style="list-style-type: none"> <li>Nexmo (USA)</li> <li>Plivo (USA)</li> <li>Tropo (USA)</li> <li>Twilio (USA)</li> </ul>	<ul style="list-style-type: none"> <li>BulkSMS.com (SA)</li> <li>ConnectMedia (Kenya)</li> <li>Clickatell (SA)</li> <li>Dialogue group (UK)</li> <li>AT&amp;T (USA)</li> </ul>

The market has proliferated in recent years, while in the case of Tier 1 and Tier 2 players there has been a degree of consolidation. Also, global enterprise IT majors are acquiring these companies to add A2P messaging to their mobile portfolios. Hence, Syniverse acquired VeriSign's messaging business (2009), MACH (2013) and Aicent (2014); SAP acquired Sybase in 2010; CLX acquired Voltari's messaging business in 2014 and mBlox in May 2016.

### **Emerging Areas – IoT and Big Data**

Internet of Things or IoT is, at present a focus area for many enterprises. Efficiency gains, cost savings and new revenue models are the principal benefits accruing from IoT. High rate of IoT adoption and deployment in enterprises can be attributed to the value-add and business cases being very clear and measurable. The following table projects the number of connected enterprise and public sector devices:

<i>(in million, except percentages)</i>							
Region	2016	2017	2018	2019	2020	2021	CAGR
North America	2,542.3	3,266.6	4,304.1	5,901.3	8,421.2	11,344.6	34.9%
Latin America	591.5	716.3	860.3	1,027.3	1,225.2	1,444.1	19.5%
Western Europe	3,594.3	4,370.8	5,423.9	6,961.2	9,251.5	12,096.2	27.5%
Central and Eastern Europe	685.7	814.4	972.6	1,161.6	1,388.2	1,655.6	19.3%
Far East and China	1,089.9	1,337.8	1,674.4	2,163.4	2,734.1	3,264.2	24.5%
Indian Subcontinent	166.6	206.2	263.8	353.3	481.8	611.1	29.7%
Rest of Asia Pacific	95.3	121.5	154.0	198.2	261.6	333.1	28.4%
Africa and Middle East	95.7	113.2	135.9	169.6	218.9	277.3	23.7%
<b>Global</b>	<b>8,861.3</b>	<b>10,946.8</b>	<b>13,789.1</b>	<b>17,935.9</b>	<b>23,982.4</b>	<b>31,026.1</b>	<b>28.5%</b>

It is widely acknowledged that the real value of connected IoT units will be derived through the conversion of data into actionable information. The reason for this is that the majority of connected units will be M2M modules, producing small amounts of data each, albeit at large scale i.e. Big Data. Consequently, where nearly the entirety of the Internet's history has involved the analysis of human-produced data, frequently composed of relatively large, organized chunks of data, the IoT landscape presents a scenario where sense must be made of large amounts of byte sized data packets that are not structured into any particular format. The rise of data produced over the Internet and indeed, an increased amount of data produced by machines has already created a scenario where traditional databases are, in many instances, not fit for purpose. The characteristics of Big Data can usually be thought of as 'big' in terms of volume, velocity and variety. In many instances, IoT data, due to its velocity, will be useful only for a short period of time. Therefore, applications leveraging data of this nature demand very short latency, with the typical route of sending data to the internet cloud for processing becoming unfeasible in many instance.

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 17 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors affecting our Results of Operations” on pages 23 and 316, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the 12 months ended March 31 of that year.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Financial Information” on page 189.*

*Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Route Mobile Limited on a consolidated basis and references to “the Company” or “our Company” refers to Route Mobile Limited on a standalone basis.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the reports “A2P SMS Messaging Vendor Performance Report 2017” dated June 2017 (the “ROCCO Report 2017”) prepared and issued by Roaming Consulting Company Limited commissioned by us and from “Mobile Messaging Markets – SMS, MMS, IM, Email, RCS/RCS-e, Social 2012 – 2017” dated September, 2012, “A2P Messaging: Opportunities, Competition & Forecasts 2017 – 2022” dated November, 2017, “The Internet of Things: Consumer, Industrial & Public Services 2016 – 2021” dated December, 2016 (collectively, the “Juniper Reports”) prepared and issued by Juniper Research Limited. Unless otherwise indicated, all financial, operational, industry and other related information derived from the ROCCO Report 2017 and the Juniper Reports and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### Overview

We provide cloud-communication platform as a service (“**CPaaS**”) to enterprises, over-the-top (“**OTT**”) players and mobile network operators (“**MNOs**”). We were ranked second globally as a tier 1 application-to-peer (“**A2P**”) service provider in 2017. We were also ranked first for ‘value added services’ provided, our ‘implementation process’ and our ‘uptime performance’ among tier 1 vendors. (Source: *ROCCO Report 2017*). Our Enterprise solution comprises two primary components – the front-end that provides an interface for enterprises to integrate with, and a back-end which is directly integrated with over 240 MNOs, and provides access to over 800 MNOs across the globe, enabling us to leverage their SMS and voice channels for digital communication (“**Super Network**”). Further, the backend is also integrated with OTT business messaging solution providers, and is capable of supporting Rich Communication Services (“**RCS**”) business messaging, offering multiple channels of communication to enterprises. Our omni-channel platform enables enterprises to leverage various modes of digital communication to engage with their stakeholders – including customers, employees and vendors.

Our range of enterprise communication services include application-to-peer (“**A2P**”) / peer-to-application (“**P2A**”) / 2Way Messaging, RCS, OTT business messaging, voice, email, and omni-channel communication. Further, we also offer SMS analytics, firewall, filtering and monetization, SMS hubbing and Instant Virtual Number (“**IVN**”) solutions to MNOs across the globe. Our clients include some of the world’s largest and well-known organisations, including a number of Fortune Global 500 companies.

We were incorporated in 2004 and are headquartered in Mumbai, India. As of July 31, 2019, we have serviced over 27,500 clients, cumulatively since inception, across sectors including social media, banking and financial services, aviation, retail, internet / e-commerce, logistics, healthcare, hospitality, media and entertainment, pharmaceuticals and telecom. As of July 31, 2019, our global operations included nine direct and 13 step-down subsidiaries serving our



clients through 19 locations across Africa, Asia Pacific, Europe, Middle East and North America. Consistent with our strategy of pursuing inorganic growth to deepen our relationship with MNOs and broaden our product and service portfolio, we acquired 365squared Limited with effect from October 1, 2017, which operates in SMS analytics, firewall, filtering and monetization. Further, we also acquired Call2Connect, effective April 1, 2017, a company which offers voice, non-voice and consulting BPO services to some of the largest enterprises in India.

Our operations are internally aligned into the following business verticals: (i) enterprise; (ii) mobile operator; and (iii) business process outsourcing (“BPO”).

**Enterprise.** Our enterprise vertical primarily provides cloud based communication platform to enterprises to enable digital communication through multiple channels including RCS, A2P / P2A messaging, 2Way Messaging, OTT business messaging, enterprise email and URL shortening; and Mail2SMS. Our platform also provides enterprise voice application services including interactive voice response, Click2Call, missed call facility and outbound dialer, which enable enterprises, to connect incoming and outgoing voice calls to their applications and systems. Our CPaaS platform gives our current and potential customers the ability to leverage our Super Network and APIs to build out their digital communication service needs. We provide a suite of APIs for various communication channels, across multiple geographies that are scalable and flexible to fit the customers’ requirements. We have also recently launched Route Mobile API Developer Network – a program that enables developers to leverage capabilities of our platform and seamlessly deploy digital communication features within their applications / software.

**Mobile Operator.** Our main service offerings in this segment include SMS analytics, firewall, filtering, monetization and CPaaS and hubbing solutions. Our analytics based SMS firewall solution helps MNOs identify grey route traffic terminating on their networks, block grey route traffic, identify the source of such grey route traffic, and monetize such traffic. We have developed multiple engagement models, to offer flexibility to MNOs while using our solution. We typically engage with MNOs on a revenue share model when deploying this solution. Certain MNOs also engage with us for our hubbing solution and CPaaS offerings, to leverage our global connectivity and A2P platform.

**Business Process Outsourcing (BPO).** We provide a range of BPO services including client support, technical support, booking and collection services. Our strategic objective is to integrate our BPO capabilities with our enterprise voice platform and deliver end-to-end offerings to enterprise customers.

We are an associate member of the GSMA and an accredited open hub connectivity solution provider with our internally developed cloud communications platform allowing us to handle both A2P and peer-to-peer (“P2P”) traffic for enterprises, OTT players and MNOs. In the four months ended July 31, 2019, through our cloud communications platform, we processed more than 9.36 billion billable transactions. In Fiscal 2019, our platform managed more than 24.74 billion billable transactions from our clients and was used by more than 3,300 clients while it managed more than 21 billion billable transactions in Fiscal 2018. We have established direct relationships with MNOs that provide our clients with global connectivity. As of July 31, 2019, we had direct relationships with over 240 MNOs and four short messaging service centres hosted in various geographies across the globe. We are able to access more than 800 networks across the world, as of July 31, 2019.

Our revenue from our operations were ₹ 4,575.81 million, ₹ 5,049.48 million and ₹ 8,446.68 million in Fiscal 2017, 2018 and 2019, respectively. The following table shows our revenues generated in domestic and international currencies:

(in ₹ million)

	Fiscal 2017		Fiscal 2018		Fiscal 2019	
	Revenue	Percentage of Total Billing	Revenue	Percentage of Total Billing	Revenue	Percentage of Total Billing
Domestic	755.77	16.52%	1,005.58	19.91%	1,439.17	17.04%
Export	3,820.04	83.48%	4,043.90	80.09%	7,007.51	82.96%
<b>Total Billing</b>	<b>4,575.81</b>	<b>100.00%</b>	<b>5,049.48</b>	<b>100.00%</b>	<b>8,446.68</b>	<b>100.00%</b>

Our EBITDA for Fiscal 2017, 2018 and 2019 was ₹ 876.31 million, ₹ 760.10 million and ₹ 940.52 million and our EBITDA margins for the same periods were 18.85%, 14.92% and 11.03%, respectively. Our profit for the year, for Fiscal 2017, 2018 and 2019 was ₹ 606.94 million, ₹ 473.25 million and ₹ 557.47 million, respectively.

## Competitive Strengths

We believe that the following are our primary competitive strengths:

### *Omni-channel cloud communication platform service provider with diversified service offerings for enterprises*

We are among the leading CPaaS providers to enterprises, OTT players and MNOs. We were ranked second globally as a tier 1 A2P service provider for 2017 (*Source: ROCCO Report 2017*). Being an associate member of the GSMA and an accredited open hub connectivity solution provider allows us to manage both A2P and P2P traffic for enterprises and MNOs.

We assist enterprises in their digital communication strategy by enabling multiple channels of communication to deliver messages to their stakeholders – including customers, suppliers, and employees. Enterprises can choose to communicate with the end user through select channels, for example SMS, or through multiple channels including SMS, OTT business messaging, voice and email amongst others. For example, in a typical online financial transaction, a customer receives OTP from his bank through multiple channels including, SMS, email and / or an automated voice call. Additionally, we have developed a single unified API, an ‘omni-channel platform’, which incorporates communication modes such as A2P / P2A / 2Way Messaging, email, RCS messaging, voice and OTT business messaging, allowing enterprises to reach customers on both traditional and all leading OTT platforms.



1. Our team works closely with enterprises to integrate enterprises' internal IT solutions with our CPaaS platform.
2. Enterprises leverage various digital communication APIs offered by us to communicate with their end-customers.
3. Developer community integrates with one or more APIs offered by us.
4. Developers enable their companies to leverage our platform's digital communication capabilities within their applications / websites.
5. Our platform enables one-way or 2 way communication with end-users over multiple communication channels.

Enterprises use our platform to send transaction confirmations, notifications, feedback requests, updates, customer care information, 2FA pins, OTP messages and promotion messages amongst other communication to their end-customers.

Our platform helps enterprises increase brand loyalty, customer retention through improved customer interaction and enhanced engagement.

With growing internet penetration, business models are evolving and cloud communication services are being used by enterprises for streamlining back-end operations as well as for engaging with customers, employees and other stakeholders. The size of the global A2P messaging market (including only directly connected A2P revenue) was US\$ 37.9 billion in 2017 and is estimated to grow at a CAGR of 4.4% (*Source: Juniper Reports*). In Fiscal 2017, 2018 and 2019, through our in-house developed cloud communications platform, we processed more than, 17 billion, 21 billion and 24.74 billion billable transactions, respectively, while in the four months ended July 31, 2019, we processed more than 9.36 billion billable transactions. Our 70 member research and development and technical teams are engaged in developing new and customized solutions for clients across sectors and industries. Further, our competitive position is enhanced by our ability to leverage our existing relationships with our clients, whom we will continue to target for increasing spend on cloud-based communications by cross-selling newer offerings, and expansion into newer sectors and geographies.

### *MNO focused suite of products*

Globally, telecom providers lost over \$11 billion in revenues in 2018 due to delivery of messages through “grey routes” (*Source: Juniper Reports*). With the use of our analytics based SMS firewall, we assist MNOs in identifying and plugging such revenue leakages due to grey routes, driving additional revenues for them, and for us.

We have been able to diversify our service offerings in the mobile operator segment with our acquisition of 365squared to include SMS analytics, firewall, filtering and monetization solutions. We proactively help MNOs identify A2P revenue leakage and monetize the same. In addition, we assist MNOs in securing their networks and improve their understanding of how A2P messages terminate on their network. On an average, our SMS firewall contracts with MNOs have a tenure of three years, which we believe provides us with reasonable visibility and stickiness of revenue from such business.

We also offer our CPaaS to MNOs by which we help them extend A2P messaging services to enterprises and other aggregators. Further, our SMS hubbing solution allows inter-connectivity between smaller MNOs to connect to global operators, and expand their network and services to their subscribers when they roam across the globe.

We have recently added the IVN solution for MNOs. This solution enables MNOs to offer additional mobile number to existing subscribers, on the same mobile device, without any additional KYC requirements or SIM cards. The virtual number is assigned instantly and is linked to the subscribers existing KYC profile. We believe that this solution will help us further deepen relationships with our MNO clients.

#### ***Global connectivity through established relationships with MNOs***

As of July 31, 2019, we had direct relationships with over 240 MNOs (“**Super Network**”) and provided our enterprise clients with access to over 800 mobile networks. We partner with some of the key players across the globe.

We also have seven strategically located data centres. We believe our global presence enables us to offer our clients the flexibility of multiple routes, better speed of delivery and an ability to optimize cost of delivery per message. We are able to serve our clients better as a result of our direct relationship with MNOs. As of July 31, 2019, we had direct relationships with 162 MNOs in EMEA, 29 MNOs in the APAC region, 48 MNOs in North America, six MNOs in India and two MNOs in Australia. As of July 31, 2019, we have served over 27,500 clients, cumulatively since inception, globally through our offices across Africa, Asia Pacific, Europe, Middle East and North America.

Based on our Super Network, we believe that we are an attractive partner for enterprises allowing them to communicate cost-effectively across multiple geographies. The significant number of our direct relationships with a broad range of MNOs allows us the ability to provide our services at a competitive cost and helps ensure high quality of service for our enterprise clients.

Our existing direct and indirect reach to mobile subscribers globally provides us the ability to attract varied categories of enterprises that need to communicate with their clients. Our established presence in all major geographies provides us an opportunity to leverage the growth in the cloud-communications space. Following our acquisition of 365squared we have further strengthened our direct arrangements with MNOs.

#### ***Diversified and global client base across industries serviced locally***

We have a diverse enterprise client base across a broad range of industries including social media companies, banks, financial institutions, e-commerce entities, travel aggregators and other client facing companies. Additionally, our MNO clients include over 25 operators across four continents. In addition, our client base is spread across four continents and as of July 31, 2019, we had served over 27,500 clients, cumulatively since inception. In Fiscal 2018 and 2019, our ten largest clients accounted for 36.08% and 46.00% of our revenue from operations, respectively, while our single largest client accounted for 6.49% and 19.86% of our revenue from operations in such periods. Our diverse global client base helps us limit our dependency on a specific client, industry or geography and reduces financial risk. We believe our leadership position as a cloud-communication service provider is supported by our global operations with 19 locations allowing us to serve our clients locally in the jurisdiction they operate.

Our track record of delivering quality and innovative solutions across various segments enable us to develop and strengthen our relationships with our clients and increase business from existing clients. We are in regular communication with our clients through dedicated client teams that include sales and engineering personnel, which allows us to work closely with our clients on an ongoing basis and provide them end-to-end services. We have historically experienced strong client retention and have derived a significant proportion of revenues from existing client accounts that have continued to grow.

We have also leveraged our diversified client base to up-sell to existing clients as and when we launch new services and features or when our clients expand their operations and use cloud-communications for new services. For example, we have sold voice services to a messaging client and vice-versa. We believe that increased integration of new services increases client engagement and, over the long-term, client loyalty. As a result, we have been able to strengthen our relationship with our clients across sectors.

### ***Scalable delivery platform supported by robust infrastructure***

Our cloud-based delivery platform enables us to build and manage applications without having to create and maintain the underlying infrastructure for each client. We are therefore able to provide enterprises with solutions to operate applications without purchasing, configuring or managing the underlying hardware and software. We currently operate at a throughput capacity of over 10,000 messages per second. Our seven strategically located data centres provide our operations with the resilience required to meet the requirements of our clients. We have adopted secure protocols and offer 128-bit encryption to our clients. Additionally, our scalable platform requires limited capital expenditure as and when we add new clients or new services or when traffic volumes increase. Our platform allows our clients to scale elastically without having to redevelop their applications or change their communications infrastructure.

According to the ROCCO Report 2017, we have been ranked first in terms of our ‘implementation process’, our ‘uptime performance’ and our ‘route monitoring and management’. We believe that these parameters ensure low latency and high availability for clients. In addition, we have the ability to serve our clients through 19 locations across Africa, Asia Pacific, Europe, Middle East and North America. Our ability to consistently deliver on stringent service level agreements with our clients reflects our robust infrastructure.

### ***Robust business model and consistent financial track record***

We have a number of clients on a pre-paid business model where the client pays upfront allowing us to reduce the overall working capital cycle. Our total revenue increased at a CAGR of 35.87% from ₹ 4,575.81 million in Fiscal 2017 to ₹ 8,446.68 million in Fiscal 2019. In Fiscal 2018 and 2019, 41.77% and 24.99% of our revenue from operations, respectively, was prepaid. The standard terms of the agreements with our post-paid clients require payments to be made within 30 – 60 days.

In addition to a security deposit or a credit line paid in advance by us, we are typically required to pay MNOs within a specified period, usually ranging between 45 and 60 days. We believe this business model provides us with a negative working capital cycle and supports flexibility in pricing our services. Further, our revenue is directly linked to usage based on each transaction or communication sent by clients and is based on a pricing model where we have an ability to change the prices offered based on prevailing market rates or owing to increase in rates by MNOs as a result of regulatory action or legislation. Our pricing control mechanism also ensures that relationship managers and system administrators are unable to price services below a certain base, which also ensures margin protection.

We have experienced sustained growth in our business in recent years. We have not required any capital infusion in our Company since Fiscal 2007 and we have grown our operations primarily through internal accruals. We have been consistently profitable since the last decade. We believe that our sustained growth is attributable to our high operating margins and low-cost base.

### ***Experienced Promoters and senior management team***

Our Promoters, Sandipkumar Gupta and Rajdipkumar Gupta have approximately two decades of experience in the software and the communications sector. Rajdipkumar Gupta has extensive experience in the field of software designing and development and has wide technical and management expertise having worked with a number of

organizations in India and abroad. Sandipkumar Gupta is a qualified chartered accountant and a SAP certified solution consultant – mySAP Financials – Managerial and Financial Accounting with over 18 years of experience in audit and accounts and business analysis, and over 15 years of experience in SAP configuration and software system consulting. Their experience in the software and telecommunications field, including extensive knowledge of the software life cycle and implementation strategy, is supplemented by our senior management team, which includes seasoned technology professionals with global experience, as well as professionals with deep experience in product development, strategy development, designing and installation of IT networks and network user management. Our senior management team significant experience in all aspects of our business operations. We believe that our management team's in-depth understanding of target markets and client demand and preferences for communications applications have enabled us to grow our business and expand our operations. Their understanding of industry trends, demands and market changes, have enabled us to adapt and diversify our offerings and leverage market opportunities. For further information on our management team, see “*Our Management*” on page 163.

## **Business Strategies**

Our business strategies are focused on the following elements:

### ***Continue to develop omni-channel digital communication offerings and innovative solutions***

We have continuously focused on retaining and deepening relationships with our existing customer base with the help of a dedicated key accounts management team. We have grown our revenues with respect to particular customers and intend to focus on revenue expansion through cross-selling and up-selling a wider range of services and solutions to our existing customers. Our R&D team has augmented our CPaaS platform with several new channels of digital communication, which will drive growth in the near term. We intend to leverage newer solutions with our existing customers and position ourselves as the partner of choice for these customers. We believe that offering a one-stop-solution addressing enterprises' communication requirements across all digital channels will increase stickiness of our relationship with our existing customers and augment our ability to serve start-ups and young enterprises. These differentiated offerings will also help us initiate business engagement with potential customers who do not currently use our services.

We have made significant investments in developing our communication services and solutions. These investments have enabled us to expand our product and service offerings to include major mobile communication channels, including messaging, email, OTT and voice. We continue to track new technologies, industry segments and market trends in the mobile technology sector. We intend to leverage our existing platform, diverse enterprise client base and Super Network to capitalize on the growth opportunity in cloud-communications space and endeavour to be a one-stop communications solution provider to such enterprise clients and MNOs.

### ***Continue to focus on developer community program***

Route Mobile API Developer or RAPID network is an initiative to formally launch our developer community program. The objective of this program is to enable developers to leverage the capabilities of our CPaaS platform and seamlessly deploy communication features within their applications / software. Through the developer community program, we are in the process of adopting a bi-modal go-to-market strategy. The developer community program primarily will focus on agility, enabling developers and their enterprises to experiment with our APIs and leverage our platform to improve their digital communication solutions. Our business partners, system integrators and third party developers will have access to an online portal with APIs allowing them to integrate with our platform and develop digital communication solutions for end-users.

### ***Enhance service offerings through inorganic opportunities***

Since Fiscal 2017, we have expanded our operations through a number of acquisitions and successfully integrated these businesses into our operations. We continue to focus on building our presence in new markets and addressing the need for cloud-communications services in new industries. We intend to continue our strategic expansion plans through inorganic growth opportunities in new markets and geographies allowing us to complement our existing operations. Through strategic acquisitions, we intend to increase the scale of our operations, access new clients and enter high-growth geographies in a cost-effective manner.

We believe that our experience, track-record and approach of identifying and implementing our inorganic growth strategy will enable us to acquire and successfully integrate new businesses. In conjunction with our organic growth strategies, we intend to pursue strategic acquisitions or investments by selectively evaluating targets in order to increase our product and service offerings, expand our existing client base and our geographic reach to strengthen our position as a global cloud-communication platform services provider. We acquired 365squared, Call2Connect, Start Corp and Cellent Technologies, which has resulted in the expansion of our operations across Europe, Middle East, Africa and Asia-Pacific and has enabled us to supplement our product and service offerings to include SMS filtering, analytics, and monetization. We continue to evaluate potential opportunities that would allow us access to superior technology to enable additional solutions for enterprises as well as MNOs, a larger client base as well as direct connectivity to mobile operators. We also intend to leverage our inorganic growth and strategic acquisitions and partnerships to increasingly cross-sell our products and services to our expanded client base.

#### ***Grow presence in additional markets to serve clients locally***

With our leading position in the cloud-communication space coupled with the anticipated growth in this sector, we intend to continue to grow in the markets where we currently operate and further expand our offerings in additional markets. We intend to meet the requirements of a broader range of global developers and enterprises. In order to attract and secure new clients, we will continue to develop our network of offices to increase awareness amongst enterprises. We also plan to focus on further strengthening our position in certain important enterprise markets, such as Africa and Latin America, which have significant potential for cloud-communication services. We have operations in Kenya, Ghana, Uganda, Zambia and Nigeria, through our subsidiaries, Route Connect (Kenya) Limited, Route Mobile Limited, Route Mobile (U) Limited, Route SMS Solutions Zambia Limited and ROUTESMS Solutions Nigeria Limited, respectively. We also have operations in the Americas, where we anticipate significant potential to serve OTT and enterprise clients. In addition to the aforementioned, we continue to target expansion into newer geographies directly through strategic acquisitions. We believe this allows us to meet regulatory requirements that require service providers to have a direct presence in the region, ensures regional expertise and enables us to maintain lower operating costs.

#### ***Leverage our CPaaS platform and BPO expertise to deliver virtual contact centre solutions***

We added BPO capabilities through the acquisition of Call2Connect, with effect from April 1, 2017. Our strategic objective is to integrate our BPO capabilities with our enterprise voice platform and deliver end-to-end offerings to enterprise customers. Our CPaaS offerings enable enterprises address their digital communication requirements while our BPO services intend to address customer / vendor / partner requirements to interact with a human interface. Further, we intend to leverage Call2Connect's expertise in call centre and other BPO services, combined with our expertise in technology driven digital communication enablement to create a new revenue stream through virtual contact centre solutions.

#### **Products and Solutions**

We provide a range of products and solutions across diverse sectors, including but not limited to the sectors mentioned below:



## Enterprise

Enterprises are increasingly adopting CPaaS because it removes the need for enterprises to own hardware, and delivers simpler, quicker and more cost-effective access to the digital communication functionality that businesses need to build applications with better user experiences and customer engagement. Communication APIs add value to these enterprises for everyday interactions.

We offer enterprise clients a cloud communications platform that can be deployed and integrated with existing business applications and systems. Our dedicated technical and support teams are available 24X7 to facilitate integration and deployment of any of our products and services. To ensure compatibility with a client's existing infrastructure without the need for additional resources at their end, we have developed several plug-and-play APIs with the ability to customize as per requirements.

We provide the following services:

### *Communication Platform as a Service*

Communication Platform as a Service (“CPaaS”) is a cloud-based platform that enables developers to add real-time communications features to their own applications without needing to build backend infrastructure and interfaces.

The platform is divided into three layers or tiers:

**Web tier:** Customers and sub-customers interact with the platform using various interfaces. Sub-customers can send messages through a web portal or panel. They can also use plug-ins, desktop applications, or APIs for sending messages. Customers use an administrator portal or panel to control sub-customers. The administrator portal can perform user creation, SMS queue management, routing configuration, and gateway management and display various reports.

**Middle tier:** This tier receives and forwards messages while processing them for credit deduction and sending delivery reports.

**Database tier:** The database stores and forwards messages to SMS centres. The layer has database servers for storing do-not-dial and opt out numbers and archiving messages and call detail records.

### *Enterprise Messaging*

The A2P messaging platform has been completely developed in-house allowing clients to connect through a choice of interfaces (HTTP, SMPP or web panel) and send messages globally. With the ability to send customized, personalized, and scheduled messages. Our messaging platform and customized messaging solutions can be deployed to communicate with internal and external stakeholders and help businesses enhance customer engagement through

real time communication across segmented audiences. Typical use cases for this product include transactional alerts, account related notifications, booking confirmations, one-time passwords, reminders for bill payments, event alerts, operational notifications, and promotional alerts.

### ***2Way Messaging***

The 2Way Messaging service enables enterprises to keep end-users engaged through message exchanges in a seamless, cost-effective manner without the need for any additional applications, software, or investment and is highly customizable to tailor the optimal approach for each individual organization. Typical use cases for our 2Way Messaging service include surveys, account inquiries, process inquiries, call back requests, subscription services and specific and personalized information requests.

### ***OTT Business Messaging***

Customers use an OTT messaging platform to deliver text, images, buttons, links, directly to users. Messages are language independent being up to 1,000 characters in length. Messages use push notifications with the organisation's logo incorporated in the sender ID. Business messaging finds use in retail banking, mortgage industry, stock markets, e-commerce, retail, hospitality, travel, and healthcare.

### ***Rich Communication Services***

Rich Communication Services (“**RCS**”) is a communication protocol between telecom operators, OEMs and messaging partners for A2P rich messaging. RCS enables enterprises to create more conversational and engaging solutions for consumers. We facilitate enterprises in creating enterprise business accounts, which deliver the messages to the end-users. RCS uses GSM bandwidth that enables assured delivery of messages and better reach. Typical use cases for RCS include travel and tourism, wherein an airline can utilize RCS messaging by sending tickets and boarding passes without any data connectivity, and healthcare, wherein patients can manage appointments through interactive appointment calendars.

### ***Enterprise Email Sender***

Our enterprise email sender service helps enhance customer communication with content rich and intuitive emails. The service equips clients with sophisticated campaign management tools such as A/B testing, drag & drop editor, campaign preview across interfaces, segmentation, campaign reports, and assures instant inbox delivery.

### ***URL Shortening***

Enterprises often send out links to websites or product pages to induce a sale or transmit additional information to end-users. Sending a traditional web link can add unnecessary characters to a message, results in increased costs and provides no additional analytical information. URL shortening enables clients to automatically generate a shortened uniform resource locator (“**URL**”) for every single number and provides data on click rates, geographical information, type of browser used and operating system. Since each URL is unique for each number, URL shortening enables personalization based on click through rates, device information and location.

### ***Interactive Voice Response***

Interactive voice response (“**IVR**”) is a system that captures customer inputs over the phone and generates the required response. IVR can be both incoming and outbound. IVR handles incoming calls, but when combined with an outbound dialer, it can call out and take customer responses for campaigns and surveys. It can provide instructions, pull up data and read it to customers, or simply record customers' input. With outbound IVR, a call is made to customers during which a voice prompt is played. The flow of responses is pre-defined and actions are taken based on clients' inputs. The service can employ static, pre-recorded or personalized voice responses. Campaign results are then shared within analytics teams. With inbound IVR, customers can call an IVR number for queries, offers or to participate in contests. The IVR facility is most prevalent for telephone banking – determining account balance, payments, transfers, and other requests, order management – placement and confirmation of orders, online subscriptions, ticket bookings, arrival / departure information and customer care / support services.



### ***Click2Call***

The Click2Call service is a tool that simplifies instant calling with cloud-based back-end support. Clients can introduce our widget on their website allowing them to trigger a call between an agent and the customer once the customer provides his/her number.

### ***Missed Call***

The missed call service is an engagement tool that enables inbound inputs from customers through a simple, free of charge phone call. The tool can be deployed to capture responses or queries and send automated messages or arrange calls to customers.

A virtual mobile number is published and displayed through various mediums such as billboards, banners or promotional messages. When a customer dials the number, the call is redirected to our server and is disconnected. The caller's details are captured in our systems. An automated response is then sent to the customer in the form of either a message, an IVR, or an actual phone call from a customer care executive.

### ***Outbound Dialer***

The outbound dialer facility allows enterprises to make automatic calls to pre-defined customer lists and play one-time passwords, promotional messages, or reminders as per their requirements. The message to be broadcasted is created and uploaded as an audio file along with a list of numbers. Our system automatically dials the list of numbers and plays the recorded audio. The system updates the status of calls in the database. The system also redials un-responded calls at scheduled times and within a defined time-frame. Outbound dialer allows enterprises to view reports on the voice panel and also provides a status regarding total calls, successful calls, failed calls and no-response calls.

### ***Mobile Operator***

#### ***SMS Filtering, Analytics, and Monetization***

We offer SMS filtering, analytics, and monetization solutions through 365squared. Our solutions allow MNOs to control and monetize A2P messages terminating on their network.

**365analytics.** All our solutions are powered by our 365analytics software. 365analytics is a real-time detection and traffic analytics software with an intelligence that is constantly updated based on our global intelligence. It is capable of detecting spam, faking, flooding, spoofing and bulk messaging traffic using analytics. It undertakes automated brand simulation giving detailed information on how traffic is reaching subscribers, classifies message traffic based on type, A2P brand and A2P brand message type and also has detailed reporting functionality.

Our SMS filtering, analytics and monetization services include:

**365secure.** This service offers MNOs a fully managed service for A2P message revenue assurance and fraud protection. 365secure is primarily for MNOs with limited or no filtering capability.

**365managed.** For MNOs with an existing filtering platform we integrate with our system to offer a managed revenue solution.

### ***Route Hub***

The route hub solution enables flow of messages between MNOs and mobile virtual network operators with different protocols and technologies and does not require any bi-lateral agreements. The solution not only resolves interoperability issues by providing a single path, but also reduces the cost of connecting to independent messaging hubs available. In addition to lower costs and an expedited setup, traffic generated from hubs is of better quality as it is from other legitimate operators. A single agreement with a hub provides maximum reach thereby enabling better coverage, reduced complexities, easy connectivity and reporting and billing efficiencies.

### ***Instant Virtual Number***

Our Instant Virtual Number (“**IVN**”) solution is a virtual number that is configured on the top of an existing primary mobile number. Through IVN calls can be made and received using an identifiable virtual number, eliminating the need of having an additional SIM card. We provide the hardware and we partner with a third party to provide the software for the IVN solution. Our IVN solution allows for number whitelisting and blacklisting, time-based operation, recycling of dormant virtual numbers and automatic reallocation of recycled virtual numbers.

### **Business Process Outsourcing**

We offer our BPO services through our Subsidiary, Call2Connect. We provide customer service and engagement solutions and back-office support. We offer both business-to-business and business-to-consumer outsourcing services for a variety of industries. We provide the entire spectrum of BPO services across all our centers, including call center services that include voice and non-voice processes, collection management services and campaign management activities. We operate through our facilities in Bengaluru, Noida, Mumbai, Varanasi and Patna. We service clients across various sectors including telecom, banking, financial services, insurance, healthcare, media and entertainment, automobile, travel and leisure and e-commerce. We endeavour to provide optimum and holistic customer solutions by leveraging synergies of our BPO offerings along with our CPaaS offering.

Our services include the following:

#### ***BPO***

We offer the following BPO functions to clients: back office support and operations, e-commerce support services and quality resource center management.

#### ***Call Centers***

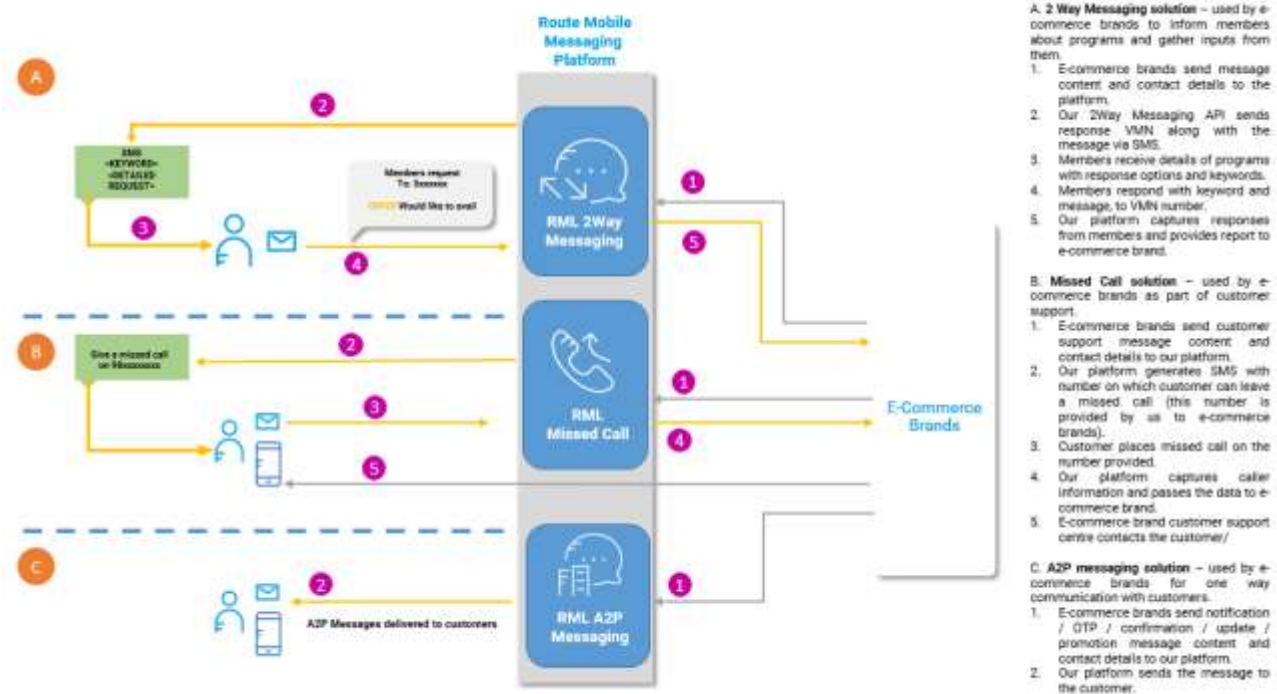
These services primarily include voice and non-voice based services. We offer our communications platform to clients to receive calls / emails / chat and offer other support. Our call centers offer inbound call support, technical support, customer service support, outbound support, out-bound dialer services and chat and email support services.

#### ***Campaign Management***

We manage marketing and promotional activities for clients. We also run know-your-customer campaigns and serve as voice channel partners for our clients.

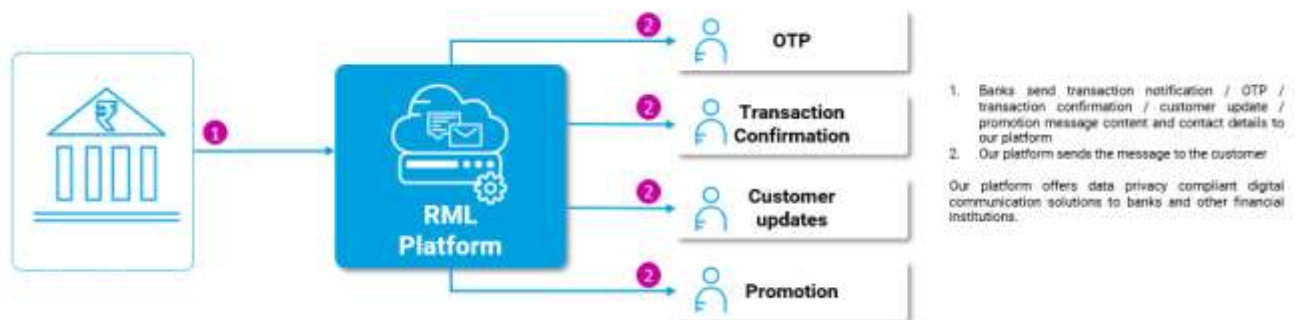
### **Industry Focused Solutions**

#### ***Omni-channel solution for e-commerce brands***



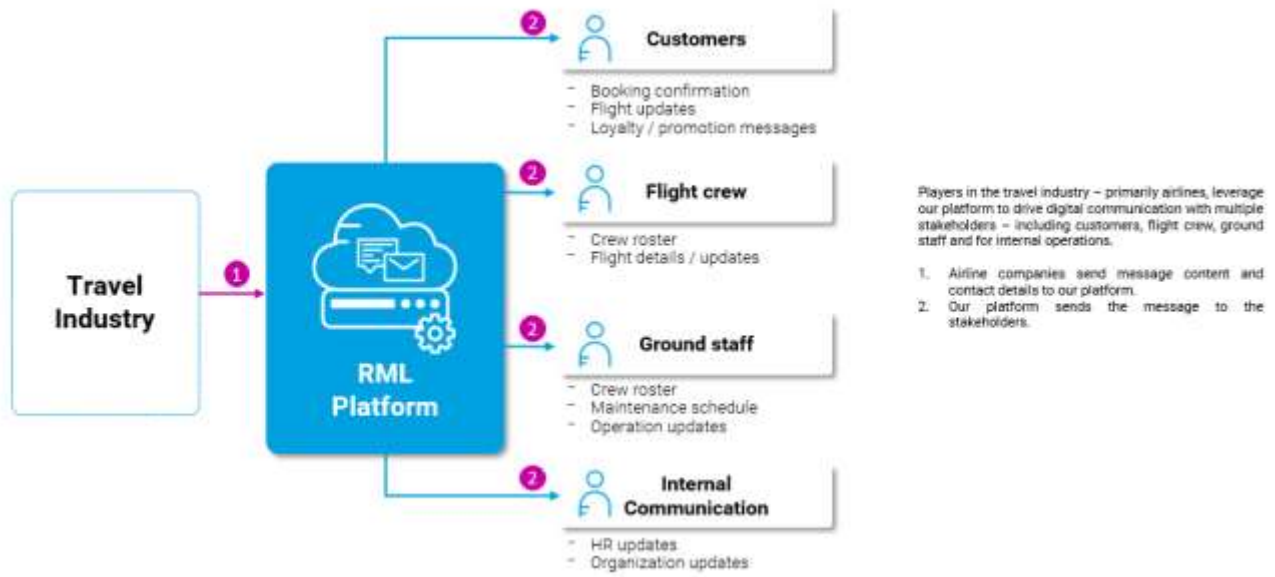
Our omni-channel platform enables digital communication across voice as well as SMS channels and provides detailed reports that enable e-commerce brands to drive member specific initiatives.

#### *Digital communication solutions for banking / healthcare / retail sectors*



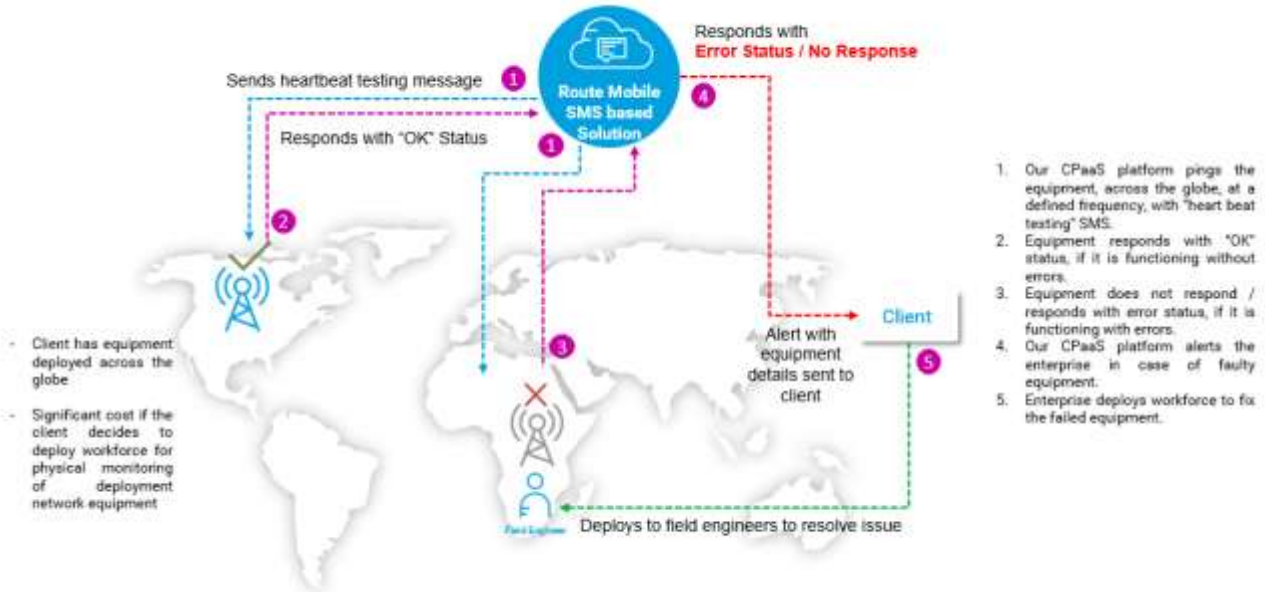
Our platform ensures quality of service through low latency and high delivery ratio. We offer GDPR compliant services and ensure data security and information integrity.

#### *Digital communication solutions for travel industry*



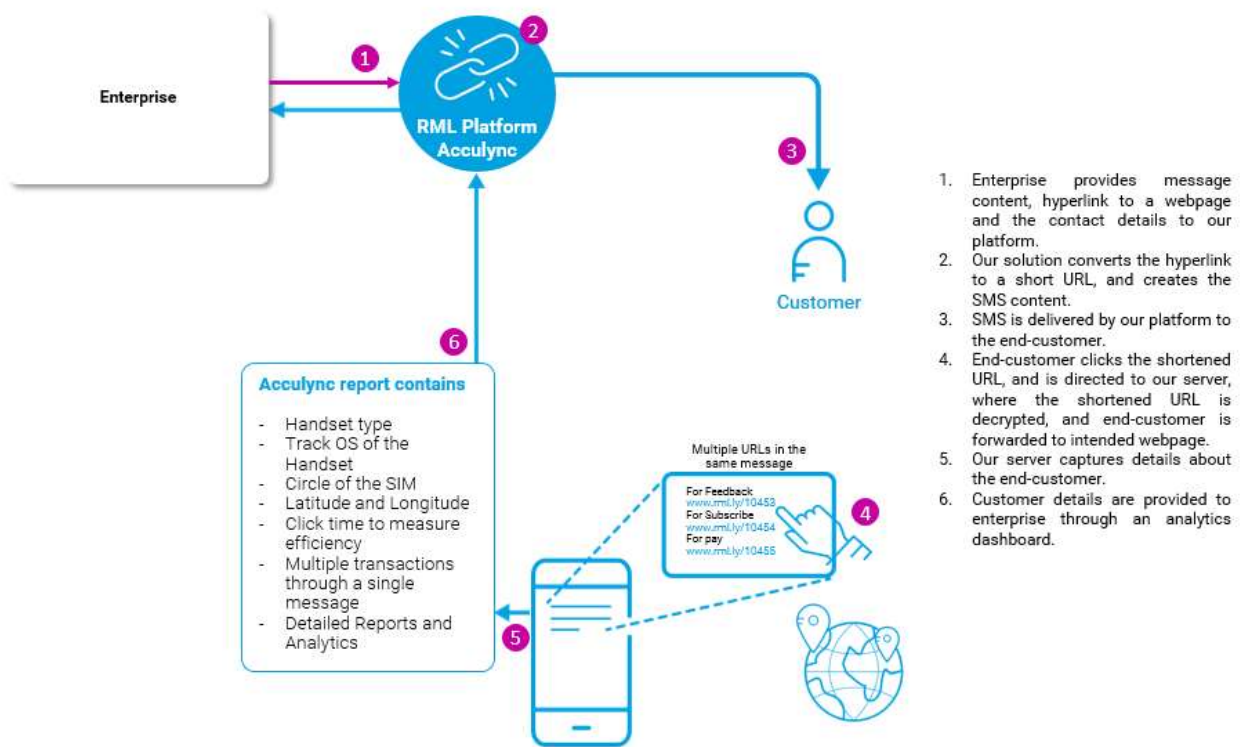
We offer comprehensive digital communication solutions to players in the travel industry, particularly to airlines. Our clients in the travel industry leverage our platform and our global reach to run their digital communication programs with various stakeholders including employees, their customers and third parties.

#### *Internet of Things enabling communication solutions*

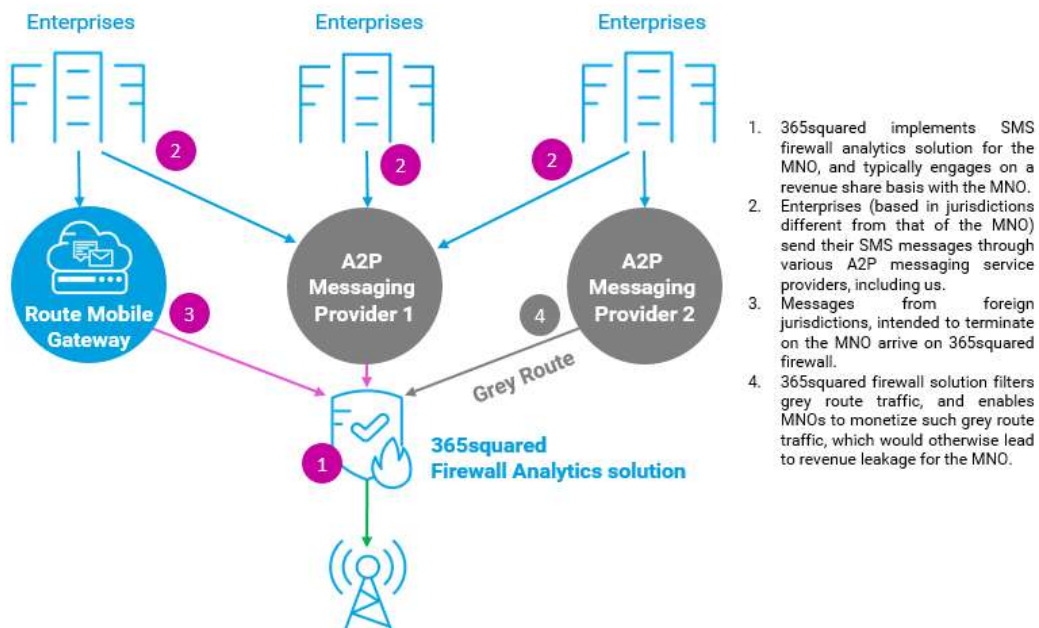


With the use of our platform, the client has been able to reduce requirement for on-the-ground personnel for equipment monitoring and is able to undertake real-time monitoring of equipment globally with centralized reporting. This results in faster reaction to potential equipment failure, thereby minimizing equipment downtime.

#### *URL shortening solution for retail and banking and financial services sectors*



### SMS firewall solution for telecom operators



Our firewall solution helps identify and block international traffic arriving on an operators' network through grey routes. With the implementation of the solution, MNOs have been able to generate revenues that they were earlier unable to realize on account of their inability identify A2P traffic arriving through grey routes.

### Infrastructure

### ***Cloud Communications Platform***

We operate an internally developed software-based cloud communications platform with capabilities to manage messaging, voice and mobile data traffic. We handle all traffic generated from our enterprise clients through our cloud communications platform.

We have a total transaction processing capacity of up to four billion transactions per month. In the four months ended July 31, 2019, we processed over 9.36 billion billable transactions. Our platform is modular and scalable, allowing us the flexibility of use while delivering functionality. Our platform managed more than 24.74 billion billable transactions from our clients and was used by more than 3,300 clients in Fiscal 2019, as compared to managing more than 21 billion billable transactions in Fiscal 2018.

### ***Data Centers***

Our infrastructure is distributed across seven data centers globally. All of these data centers are equipped with requisite failovers and redundancies necessary for maintaining 24x7 operations. Our current deployment is across five geographical regions with systems deployed across data centers in India, Singapore, Malta, the United Kingdom and the United States. Each of the locations are served by multiple independent carriers and connectivity.

Our data centers are linked to each other via encrypted private networks to ensure data security. This also allows us to securely transfer data between various data centers. Each of these data center deployments are complete platforms which serve their local regions as well as participate in our global routing network.

### ***Layers***

Our platform is divided into three distinct layers, namely, database, application and storage area network (“SAN”) layers.

The database and application layers are powered by carrier grade hardware in a N+1 (a backup node for each active node) redundancy pattern to ensure maximum availability. Our platform relies on virtualization software to optimally use hardware resources as well as provide fallback/ backup capability for the application and database layers. All applications are run as groups/ clusters to prevent a single failure from disrupting the service.

The SAN layer consists of storage systems backed by fiber channel networks consisting of switches and fiber optics. The storage systems have internal redundancy using mirroring between deployed disk systems. Our SAN layer is highly scalable and can be expanded as per requirements.

### ***Disaster Recovery***

In addition, we also maintain a disaster recovery setup in India where critical systems are backed-up to ensure business continuity in case of natural disasters. This layout in addition to our defined backup policies allows us to ensure high uptimes and provide uninterrupted service to our clients.

### ***Client Base***

We believe that the quality and breadth of our client relationships is critical to our business.

### ***Enterprise***

Our enterprise division targets enterprises in all industries that need messaging services (including A2P messages, email, voice applications, RCS and OTT business messaging) globally. Cumulatively since inception, our client base in this business vertical has grown from over 16,000 clients as of March 31, 2015 to over 26,700 clients as of March 31, 2019 and we had 27,500 clients as of July 31, 2019, including several Fortune Global 500 companies. We have a diverse enterprise client base across a broad range of industries including social media companies, banks and financial institutions, e-commerce entities and travel aggregators.

In the enterprise business vertical, our client contracts typically range for periods between 12 to 36 months and usually include automatic renewal provisions. While such arrangements generally do not stipulate any minimum traffic volume commitments from our clients, traffic volumes usually tend to increase over the course of relationship.

### **Operator**

We provide mobile operators with specialized solutions including SMS filtering, analytics, monetization, hubbing and CPaaS. Our existing relationships with MNO's who are our suppliers, enables us to leverage the existing partnership for bilateral sales for our products. Typical contract durations with MNO's for our SMS filtering, analytics and monetization services range for an initial term of one to three years and are subject to an automatic renewal for one year unless terminated.

### **BPO**

Our relationships with clients are typically long-term. The initial term in our contracts with our BPO clients ranges from a period of 12 months up to 24 months. We endeavour to offer seamless delivery of services and support to clients. We believe, we offer our BPO clients with customized infrastructure and high levels of data security.

### **Client Support**

To cater to our global client base, we provide 24x7 client support from our Registered Office based in Mumbai as well as regional offices in Europe. Our support staff assist with live client queries across all our services and are supported by technical development team who help clients with initial integration and setup. For high value enterprise clients, we designate key account managers as a single point of contact for any queries and if required, a resident client support staff within a client's premises.

We also have a routing team that monitors route quality, country specific issues with a particular network, and other factors to enhance message delivery.

While we have a large and diversified client base, in each of our business verticals, we are dependent on business from certain significant clients. The table below sets forth certain information relating to the relative revenue contribution of our key clients as a percentage of total revenue across our various business verticals in the periods indicated:

Revenues	Fiscal 2017	Fiscal 2018	Fiscal 2019
<b>Percentage of Total Revenue (%)</b>			
Top 5 clients	21.45%	24.92%	33.80%
Top 10 clients	34.01%	36.08%	46.00%
Top 20 clients	48.32%	49.88%	60.74%
Top 50 clients	70.45%	69.71%	77.59%

In Fiscal 2019, we serviced 3,354 customers.

The table below sets forth the information regarding our customers that contribute revenues of over ₹ 50 million for the periods indicated:

Customer Count	Fiscal 2017	Fiscal 2018	Fiscal 2019
Revenue higher than ₹ 50 million and less than or equal to ₹ 100 million	11	16	14
Revenue higher than ₹ 100 million and less than or equal to ₹ 250 million	9	7	15
Revenue higher than ₹ 250 million	1	2	3

The table below sets forth the information regarding corresponding revenues from our customers split according to various revenue bands for the periods indicated:

(₹ million)

<b>Revenue Split</b>	<b>Fiscal 2017</b>	<b>Fiscal 2018</b>	<b>Fiscal 2019</b>
Revenue higher than ₹ 50 million and less than or equal to ₹ 100 million	706.08	1,100.09	977.87
Revenue higher than ₹ 100 million and less than or equal to ₹ 250 million	1,294.22	1,101.08	2,582.93
Revenue higher than ₹ 250 million	262.01	636.10	2,368.86

## **Sales and Marketing**

We have a global sales team comprising of a direct sales team and channel partners. The direct sales team is primarily focused on selling our services and solutions to enterprises, and growing existing enterprise client accounts. In addition, we strategically work with channel partners to further extend our sales and marketing reach. These partners have a strong reach in their respective geographies and they resell our services.

Our marketing team focusses on raising awareness and inform current and prospective clients about our products and services as well as new offerings additionally, used by us include digital marketing, events and exhibition participation including participation at the annual Mobile World Congress held in Barcelona and the United States, the International Telecoms Week in the United States and Wholesale Agreements & Solutions Group (WAS) #7 in the UAE. We also attend several other regional exhibitions to interact with MNOs, enterprises, partners and existing and potential clients.

## **Suppliers**

We have developed a significant number of direct relationships with MNOs, which provides our clients with global connectivity. As of July 31, 2019, we had direct relationships with over 240 MNOs. While most of our contracts with MNO's are pay-per-use, some arrangements require minimum commitments. We believe, these minimum volume commitment contracts with MNO's extends us a commercial advantage. Additionally, we also have established direct relationships with OTT service providers for OTT business messaging.

## **Partners**

We partner with messaging infrastructure/hardware providers to enhance our cloud communication platform services. For our SMS filtering, analytics, and monetization, we partner with firewall hardware providers and value-add OEMs for end to end solutions.

## **Product Development**

Our product development process comprises a team of over 40 developers and product managers based out of Mumbai and Malta as of July 31, 2019. In addition to maintenance and enhancement of our in-house platform, the team routinely executes customizations required by clients. We follow the agile methodology for software development and any specific requirements from the sales team are vetted and analyzed for viability prior to being accepted for development. Additionally, as of July 31, 2019, we had a separate team of 30 employees focused on research and development on enhanced analytics using artificial intelligence and machine learning as well as layering insights for our messaging clients' ongoing campaigns.

## **Awards and Certifications**

In 2019, our Company was awarded the "Most Innovative Communication Solutions Provider 2019" at the CV Magazine – Technology Innovator Awards 2019 while our wholly-owned subsidiary, Route Mobile (UK) Limited, was awarded the 'Fastest Growing Indian Technology and Telecoms Company in the UK' at India meets Britain Tracker 2019.

In June 2017, we were ranked as a Tier One A2P SMS Messaging Vendor, in the A2P SMS Messaging Vendor Performance Report 2017 released by ROCCO and our wholly-owned subsidiary, 365squared, was the winner of Malta International Business Awards in the small business category.

Our quality management system certified by KVQA Certification Services Private Limited complies with ISO



9001:2015 while our information security management system is certified by KVQA Certification Services Private Limited as ISO/IEC 27001:2013 compliant.

## Employees

Details of our employees in India for our Company and our subsidiaries as of March 31, 2019 and as of July 31, 2019 are as follows:

Category	As of March 31, 2019		As of July 31, 2019	
	Within India	Outside India	Within India	Outside India
Company	240	-	233	-
Subsidiaries*	13	41	18	29
<b>Total Employees</b>	<b>253</b>	<b>41</b>	<b>251</b>	<b>29</b>

\* Excludes employees of Call2Connect

None of our employees are represented by a labor union or covered by a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

We have several structured processes, including employee mentoring, grievance management and corporate ethics programs, which are intended to facilitate a friendly and cohesive organizational culture. Such processes are supplemented by our internal policies, which are also aimed at fostering a positive atmosphere and establishing common ethical values within the workplace. Our policies include a code of conduct, a prevention of sexual harassment policy and a whistle blower policy. The attrition rate of employees of our Company for Fiscal 2017, 2018 and 2019 was 21.57%, 24.82% and 40.32%, respectively.

We place special emphasis on the training of our employees to enable them to develop their skills and to meet the challenges of a dynamic competitive environment.

## Competition

The cloud communications market is characterized by fragmented and highly competitive market participants. We compete with other global A2P service providers including Syniverse and Mblox in the United States, SAP Mobile in Germany and CLX in Sweden (*Source: Juniper Reports*). We are able to differentiate ourselves from local, domestic players in the space, through our global reach and our ability to service large enterprise customers across multiple geographies.

## Intellectual Property

As of July 31, 2019, our Company had made 14 applications for registration of various trademarks, including, ‘Route Mobile’, ‘RouteSMS’ and ‘Route’ of which we have received registration for four trademarks. For further information, see “*Government and other Approvals – Approvals in relation to intellectual property of our Company and Subsidiaries*” on page 149. For further information in relation to the risk relating to our intellectual property, please refer to the chapter titled “*Risk Factors*” on page 23.

## Insurance

We maintain insurance policies customary for our industry to cover certain risks, including fire, burglary and other natural calamities. We provide group health insurance cover to employees and their immediate family members. We also maintain directors’ and officers’ liability insurance and a public offering of securities insurance policy. In addition, we maintain insurance for vehicles owned by us. We believe that our insurance policies and coverage is sufficient for our business and operational needs.

## Corporate Social Responsibility

We have adopted a Corporate Social Responsibility (“CSR”) policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Central

Government. Key social welfare initiatives recently undertaken by us include a focus on expanding the availability of safe drinking water by installing hand pumps in rural areas. In addition, we have facilitated a sports training program for underprivileged children in Mumbai and made certain contributions to a rotary club, medical foundation, hospitals, charitable trusts and towards promotion of sanitation.

### **Properties**

Our Registered Office is situated at 4th Dimension, 3rd Floor, Mind Space, Malad (West), Mumbai – 400 064, Maharashtra, India which is a leased premises.

In addition, our Company has regional offices situated in Bengaluru, Hyderabad, Patna, Noida, Ranchi and Delhi. Internationally, we have offices in United States, United Kingdom, Malta, United Arab Emirates, Ghana, Nigeria, Nepal, Sri Lanka, Bangladesh, Singapore, Uganda and Zambia. These offices are primarily located on leased premises or co-working spaces.

## **KEY REGULATIONS AND POLICIES**

*The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the operations of our Company and our Subsidiaries. The information detailed in this chapter has been obtained from publications available in the public domain. The description of laws and regulations set out below is not exhaustive but indicative and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice.*

### **A. Business Related Laws**

#### ***Software Technology Parks of India Scheme (“STPI Scheme”)***

The STPI Scheme was introduced by the Government with the objective of encouraging, promoting and boosting export of software and software services including IT and Bio-IT enabled services from India. The STPI Scheme, which is a 100% export oriented scheme, provides benefits such as data communication facilities, single window clearances and approvals including project approvals, import certification and other facilities to boost software exports from India. Further, companies registered under the STPI Scheme are provided certain concession in duties, levies and taxes.

In order to avail the benefits as envisaged by the Government, a company is required to register itself with the appropriate authorities. The principle compliance required of a company accorded approval under the STPI Scheme is the fulfilment of the export obligation. The letters of permission may contain other conditions. Additionally, the unit is required to file details to STPI in the nature of a performance report indicating the export performance.

#### ***The Indian Telegraph Act, 1885 (“Telegraph Act”)***

The Telegraph Act governs all forms of the usage of telegraph, which expression has been defined to mean any appliance, instrument, material or apparatus used or capable of use for transmission or reception of signs, signals, writing, images, and sounds or intelligence of any nature, by wire, visual or other electro-magnetic emissions, radio waves or hertzian waves, galvanic, electric or magnetic means. Under Section 7, the Central Government has the power to make rules for conduct of all telegraphs established, maintained or worked by the Government or by persons licensed under the Act, including but not limited to governing the conditions and restrictions, subject to which any telegraph line, appliance or apparatus for telegraphic communication shall be established, maintained, worked, repaired, transferred, shifted, withdrawn or disconnected. Further, the rules prescribed by the Central Government may prescribe the fines for any breach of such rules.

#### ***The Indian Wireless Telegraphy Act, 1933 (“Wireless Telegraphy Act”)***

The Wireless Telegraphy Act regulates the possession of wireless telegraphy apparatus in India. Under the Wireless Telegraphy Act, wireless telegraphy apparatus has been defined to mean any apparatus, appliance, instrument or material used or capable of use in wireless communication, and includes any article determined by rule made under this act to be wireless telegraphy apparatus, but does not include any such apparatus, appliance, instrument or material commonly used for other electrical purposes, unless it has been specially designed or adapted for wireless communication or forms part of some apparatus, appliance, instrument or material specially so designed or adapted, nor any article determined by rule made under this act not to be wireless telegraphy apparatus. Under Section 10 of the Wireless Telegraphy Act, the Central Government has the power to make rules with respect to the maintenance of records containing details of the acquisition and disposal by sale or otherwise of wireless telegraphy apparatus possessed by dealers and the power to make provisions for penalty of breach of such rules.

#### ***The Telecom Commercial Communications Customer Preference Regulations, 2010 (“TCCCPR”)***

The TCCCPR has been enacted with an objective to curb unsolicited commercial communications to subscribers and to regulate Telemarketers. It came into effect from January 1, 2011. TCCCPR covers both calls as well as SMSs. Under these regulations a customer can register themselves in order to completely block unsolicited commercial communications or in the alternative can opt to receive promotions for specific categories. Those customers already

registered on the Do Not Call Registry will be transferred to the fully Blocked list of the National Customer Preference Register. An aggrieved customer can lodge a complaint with his service provider, who is required to take appropriate action and inform the customer of the action taken within seven days of such complaint. These regulations also provide for a framework for registering telemarketers as well as setting out limits for registered and unregistered telemarketers along with levy of requisite fines and penalties on defaulting telemarketers.

### ***National Telecom Policy 2012 (“NTP 2012”)***

The Department of Telecommunications, Ministry of Communications and Information Technology, GoI, has formulated the NTP 2012, for creating an enabling framework for development of the telecom industry. In this regard, NTP 2012 was created with a view to provide secure, reliable, affordable and high quality converged telecommunication services anytime, anywhere for an accelerated inclusive socio-economic development. The primary objective of NTP 2012 is maximizing public good by making available affordable, reliable and secure telecommunication and broadband services across the entire country. The main thrust of the Policy is on the multiplier effect and transformational impact of such services on the overall economy. It recognizes the role of such services in furthering the national development agenda while enhancing equity and inclusiveness. Availability of affordable and effective communications for the citizens is at the core of the vision and goal of the NTP 2012. NTP 2012 also recognizes the predominant role of the private sector in this field and the consequent policy imperative of ensuring continued viability of service providers in a competitive environment. Pursuant to NTP 2012, these principles would guide decisions needed to strike a balance between the interests of users/ consumers, service providers and government revenue.

### ***B. Intellectual property laws***

#### ***The Information Technology Act, 2000 (“Information Technology Act”)***

The Information Technology Act has been enacted to provide legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "Electronic Commerce", which involve the use of alternatives to paper-based methods of communication and storage of information etc. Additionally, the said Act also provides for civil and criminal liabilities including fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems, it also recognizes contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. It also provides civil and criminal liabilities. The Information Technology Act also provides punishment for offences committed outside India.

The Department of Information and technology, under the Ministry of Communications & information Technology, Government of India, has notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive personal Data or Information) Rules 2011, which gives directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The said rules also require the body corporate to provide a privacy policy for handling and dealing on personal information, including sensitive personal data.

### ***Intellectual Property Rights***

Intellectual property rights in India enjoy protection under both statutory and under common law. The key legislations governing intellectual property in India are the Copyright Act, 1957, and the Trade Marks Act, 1999. India is also a party to several international agreements for the protection of intellectual property rights.

#### ***The Trademarks Act, 1999***

The Trademarks Act, 1999 (“**TM Act**”), provides for the application and registration of trademarks in India. The purpose of the TM Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years and can be renewed in accordance with the specified procedure.

Application for trademark registry has to be made to Controller-General of patents, designs and TM Act who is the Registrar of Trademarks for the purposes of the TM Act. The TM Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

### ***Indian Copyright Act, 1957***

The Indian Copyright Act, 1957 (“**Copyright Act**”), governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act applies to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years. The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner.

### ***C. Tax Related Legislations***

The tax related laws that are applicable to our Company include the Central Goods and Services Tax Act, 2017, the Interstate Goods and Services Tax Act, 2017, various state goods and services tax legislations, the Income Tax Act, the Income Tax Rules, local body taxes in respective states and various applicable service tax notifications and circulars.

### ***D. Laws relating to Employment and Labour***

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- i. The Child Labour (Prohibition and Regulation) Act, 1986
- ii. The Contract Labour (Regulation and Abolition) Act, 1970
- iii. The Employees’ Compensation Act, 1923
- iv. The Employees’ State Insurance Act, 1948
- v. The Employee’s Provident Fund and Miscellaneous Provisions Act, 1952
- vi. The Equal Remuneration Act, 1976\*
- vii. The Maternity Benefit Act, 1961
- viii. The Minimum Wages Act, 1948\*
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965\*
- xi. The Payment of Wages Act, 1936\*
- xii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

*\*The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936*

### ***E. Other laws***

***The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder (“FTA”)***

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import (“**EXIM**”) Policy. Under the EXIM Policy, export of defense equipment falls under the restrictive Special Chemicals, Organisms, Materials, Equipment and Technologies list and requires a license.

The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number (“**IEC**”) granted by the Director General of Foreign Trade pursuant to section 7. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority.

### ***The Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder***

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, by Notification No. FEMA 20(R)/ 2017-RB dated November 07, 2017 (“**FEMA Regulations**”), to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. As laid down by the FEMA Regulations, no prior consents and approvals is required from the RBI, for Foreign Direct Investment (“**FDI**”) under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI.

The FEMA Regulation permits 100% FDI in Telecom Services including Telecom Infrastructure Providers Category-I, viz. Basic, Cellular, Unified Access Services, Unified License (Access Services), Unified License, National/International Long Distance, Commercial V-Sat, Public Mobile Radio Trunked Services (PMRTS), Global Mobile Personal Communications Services (GMPCS), All types of ISP licenses, Voice Mail/ Audiotex/ UMS, Resale of IPLC, Mobile Number Portability Services, Infrastructure Provider Category-I (providing dark fibre, right of way, duct space, tower) except Other Service Providers. However foreign investment up to 49% is permitted under the automatic route and above 49% is allowed under Government route on case to case basis. FDI in Telecom sector is subject to observance of licensing and security conditions by licensee as well as investors as notified by the Department of Telecommunications (“**DoT**”) from time to time, except “Other Service Providers”, which are allowed 100% FDI on the automatic route.

### ***Overseas Direct Investment (“ODI”)***

In terms of the Master Direction No. 15/2015-16 on "Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad" issued by the RBI, dated January 1, 2016, an Indian entity is allowed to make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

### ***The Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (“**Industries Regulation Act**”), is an act which governs the development and regulation of industries in India. The main objectives of the Industries Regulation Act is to empower the Government:- (i) to take necessary steps for the development of industries; (ii) to regulate the pattern and direction of industrial development; and (iii) to control the activities, performance and results of industrial undertakings in the public interest. The Industries Regulation Act applies to the 'Scheduled Industries' listed in the First Schedule of the Act. However, small scale industrial undertakings and ancillary units are exempted from the provisions of the Industries Regulation Act.

The Industries Regulation Act is administered by the Ministry of Industries & Commerce through its Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”). The DPIIT is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector. It monitors the industrial growth and production, in general, and selected industrial sectors. Certain categories of industries require industrial licensing under the Industries Regulation Act. Such industries have to file an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance (SIA), Department of Industrial Policy and Promotion to obtain an acknowledgement.

### ***Shops and establishments Legislations***

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as ‘Routesms Solutions Private Limited’, a private limited company under the Companies Act, 1956, on May 14, 2004, at Mumbai, Maharashtra. Subsequently, upon conversion to a public limited company pursuant to a special resolution of the shareholders of our Company dated February 15, 2007, the name of our Company was changed to ‘Routesms Solutions Limited’ and a fresh certificate of incorporation was issued by the RoC on April 17, 2007. The name of our Company was subsequently changed to ‘Route Mobile Limited’ to justify the wide range of its product offering, pursuant to a special resolution of the shareholders of our Company dated March 8, 2016, and a fresh certificate of incorporation was issued by the RoC on March 16, 2016.

### Changes in the Registered Office

Except as provided below, there have been no changes in the registered office of our Company since the date of its incorporation:

Effective Date	Details of change in the address of the Registered Office
December 8, 2010	From M – 201, Panchasheel Gardens, Mahavir Nagar, Danukarwadi Kandivali (West) – 400067, Mumbai, Maharashtra to 401, Fourth Floor, Evershine Mall, New Link Road, Malad (West) – 400064, Mumbai, Maharashtra.
November 22, 2017	From 401, Fourth Floor, Evershine Mall, New Link Road, Malad (West) – 400064, Mumbai, Maharashtra to 4th Dimension, 3rd Floor, Mind Space, Malad (West), Mumbai 400 064, Maharashtra, India.

The Registered Office was changed due to administrative and operational convenience.

### Our Main Object

*To establish, promote, purchase, set up or connect with any database, network data and information processing centers and bureaus either on its own or as franchise centre for dissemination of knowledge and information related to computers, communications and information technology industry including print, video, CD-ROM, electronic media and digital media, intranet, internet modems, fax modems, video conferencing, E-Mail, voice mail, voice response systems, multiplexers, hubs, VSATS, cable, wireless network, SAP/ERP solutions and satellite communication. to Enterprise Messaging Solutions, Software Development, IVR Solutions (In bound and Out Bound), Voice Call, Voice Mail, Email Marketing, SMS Hubbing, Mobile application, Java Games, Games Development, Bulk sms (International and domestic), WAP services, USSD Services, Voice Platform Solutions, Operating as an operator, Procuring and Using MCC and MNC, Procuring and distribution of Wholesale Voice, Operator License, VMN Platform and Services, Short Code Services and Platform, Hosting SMSC, SMSC Platform integration, Procuring and providing SS7, Sigtran Connectivity, call centre setup, operating BPO & KPO, providing call centre Software, applying for Spectrum, providing telephony service Mobile & Fixed Line and also providing advertising services to client on mobile impression, Internet impression (CPC & CPI), Lead management services, lead generation services. Engaging in advertising services such as internet advertising, mobile advertising, outdoor advertising, print advertising, TV & radio including all digital media advertising & Audiotex/Voicemail Services.*

The main objects clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing activities.

### Amendments to our Memorandum of Association

Please see below details in respect of the amendments to the Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus:

Date of shareholders resolution	Nature of amendment
March 15, 2013	Clause IIIA was amended to read as follows: –



Date of shareholders resolution	Nature of amendment
	<p><i>“Clause III A.1</i></p> <p><i>To establish, promote, purchase, set up or connect 'with any database, network data and information processing centers and bureaus either on its own or as franchise centre for dissemination of knowledge and information related to computers, communications and information technology industry including print, video, CDROM, electronic media and digital media, intranet, internet modems, fax modems, video conferencing, E-Mail, voice mail, voice response systems, multiplexers, hubs, VSATS, cable, wireless network, SAP/ERP solutions and satellite communication. to Enterprise Messaging Solutions, Software Development, IVR Solutions (In bound and Out Bound), Voice Call, Voice Mail, Email Marketing, SMS Hubbing, Mobile application, Java Games, Games Development, Bulk sms (International and domestic),WAP services, USSD Services, Voice Platform Solutions, Operating as an operator, Procuring and Using MCC and MNC, Procuring and distribution of Wholesale Voice, Operator License, VMN Platform and Services, Short Code Services and Platform, Hosting SMSC, SMSC Platform integration, Procuring and providing SS7,Sigtran Connectivity, Call centre setup, Operating BPO &amp; KPO, providing call centre software, applying for Spectrum, providing telephony service mobile and Fixed Line.”</i></p>
November 13, 2013	<p>Clause IIIA was amended to read as follows: –</p>
	<p><i>“Clause III A.1</i></p> <p><i>To establish, promote, purchase, set up or connect 'with any database, network data and information processing centers and bureaus either on its own or as franchise centre for dissemination of knowledge and information related to computers, communications and information technology industry including print, video, CDROM, electronic media and digital media, intranet, internet modems, fax modems, video conferencing, E-Mail, voice mail, voice response systems, multiplexers, hubs, VSATS, cable, wireless network, SAP/ERP solutions and satellite communication. To Enterprise Messaging Solutions, Software Development, IVR Solutions (In bound and Out Bound), Voice Call, Voice Mail, Email Marketing, SMS Hubbing, Mobile application ,Java Games, Games Development, Bulk sms (International and domestic),WAP services, USSD Services ,Voice Platform Solutions, Operating as an operator, Procuring and Using MCC and MNC, Procuring and distribution of Wholesale Voice, Operator License, VMN Platform and Services, Short Code Services and Platform, Hosting SMSC, SMSC Platform integration, Procuring and providing SS7,Sigtran Connectivity, Call centre setup, Operating BPO &amp; KPO, providing call centre software, applying for Spectrum, providing telephony service mobile and Fixed Line and also providing advertising services to client on mobile impression, Internet impression (CPC &amp; CPI), Lead management services, lead generation services. Engaging in advertising services such as internet advertising, mobile advertising, outdoor advertising, print advertising, TV &amp; radio including all digital media advertising.”</i></p>
August 31, 2015	<p>Clause V was amended to reflect the increase in the authorised share capital from ₹ 20,000,000 comprising of 2,000,000 Equity Shares of ₹ 10 each to ₹ 400,000,000 comprising of 40,000,000 Equity Shares of ₹ 10 each.</p>
March 8, 2016	<p>Clause I of the Memorandum of Association was amended to reflect the present name of our Company, ‘Route Mobile Limited’</p>
July 15, 2016	<p>Clause V was amended to reflect the increase in the authorised share capital from ₹ 400,000,000 comprising of 40,000,000 Equity Shares of ₹ 10 each to ₹ 1,000,000,000 comprising of 100,000,000 Equity Shares of ₹10 each.</p>
September 22, 2017	<p>Clause IIIA was amended to read as follows: –</p>
	<p><i>“Clause III A.1</i></p>

Date of shareholders resolution	Nature of amendment
	<i>To establish, promote, purchase, set up or connect 'with any database, network data and information processing centers and bureaus either on its own or as franchise centre for dissemination of knowledge and information related to computers, communications and information technology industry including print, video, CD-ROM, electronic media and digital media, intranet, internet modems, fax modems, video conferencing, E-Mail, voice mail, voice response systems, multiplexers, hubs, VSATS, cable, wireless network, SAP/ERP solutions and satellite communication. to Enterprise Messaging Solutions, Software Development, IVR Solutions (In bound and Out Bound), Voice Call, Voice Mail, Email Marketing, SMS Hubbing, Mobile application, Java Games, Games Development, Bulk sms (International and domestic), WAP services, USSD Services ,Voice Platform Solutions, Operating as an operator, Procuring and Using MCC and MNC, Procuring and distribution of Wholesale Voice, Operator License, VMN Platform and Services, Short Code Services and Platform, Hosting SMSC, SMSC Platform integration, Procuring and providing SS7, Sigtran Connectivity, call centre setup, operating BPO &amp; KPO, providing call centre Software, applying for Spectrum, providing telephony service Mobile &amp; Fixed Line and also providing advertising services to client on mobile impression, Internet impression (CPC &amp; CPI), Lead management services, lead generation services. Engaging in advertising services such as internet advertising, mobile advertising, outdoor advertising, print advertising, TV &amp; radio including all digital media advertising &amp; Audiotex/Voicemail Services.</i>

### Major Events and Milestones

Calendar Year	Events / Milestones
2004	Started operations in India to cater to the global market.
2010	Hosted first SMSC with Loop Mobile, India, with a capacity of c.2,000 throughout per Second (TPS)
2012	Started India Enterprise Division. Associate membership of the GSMA was granted in July 2012.
2013	Hosted first international SMSC with Stour Marine, UK, with the capacity of c.200 TPS
2014	Partnered with TATA, Comfone and Bics as Signalling Connection Control Part (SCCP) partner. Hosted second international SMSC with Smart, Cambodia Signed up with eight banks in India as Enterprise clients.
2016	Acquisition of Cellent Technologies (India) Private Limited. Acquisition of Start Corp India Private Limited.
2017	Acquisition of Call 2 Connect India Private Limited Acquisition of 365squared Limited

### Awards and Accreditations

Calendar Year	Awards and Accreditations
2012	Associate Membership – GSMA
2014	Featured in Leading SMEs of India 2014 premier publication by Dun & Bradstreet
2015	Company of the Year 2015 in telecommunications sector award by Silicon India
2016	Skoch order of merit award for qualifying in India's best SMEs – 2016 by Skoch Group Ranked 6th as A2P SMS Messaging Vendor, Report released by ROCCO India SME 100 Awards supported by MSME CRISIL rating of MSE 1 indicating 'highest credit worthiness in relation to other MSEs'
2017	Ranked 2 <sup>nd</sup> as a Tier One A2P SMS Messaging Vendor, Report released by ROCCO
2019	"Most Innovative Communication Solutions Provider 2019" at the CV Magazine – Technology Innovator Awards 2019

## **Subsidiaries**

As of the date of this Draft Red Herring Prospectus, we have total 22 Subsidiaries of which 9 (nine) are direct subsidiaries and 13 are stepdown subsidiaries. For details regarding the Subsidiaries of our Company, see “*Our Subsidiaries*” on page 149.

## **Holding company**

Our Company does not have a holding company.

## **Associate company and Joint venture**

As of the date of this Draft Red Herring Prospectus, our Company does not have any associate company or joint ventures.

## **Details of guarantees given to third parties by our Promoters, offering their shares in the Offer for Sale**

Details of guarantees given to third parties by our Promoters as on the date of this Draft Red Herring Prospectus are set out below. The guarantees issued by our Promoters to third parties are in the nature of personal guarantees and have been issued towards contractual obligations in respect of loans availed by our Company.

<b>Name of Promoters</b>	<b>Lender</b>	<b>Type of facility</b>	<b>Amount (in ₹ million)</b>
1. Sandipkumar Gupta	Yes Bank Limited	Working Capital Limit	96.40
2. Rajdipkumar Gupta	HDFC Bank Limited	Working Capital Limit	250.00

## **Time or cost overrun**

Our Company has not experienced any instances of time / cost overrun in our business operations.

## **Defaults or rescheduling / restructuring of borrowings with financial institutions / banks, conversion of loans into equity by the Company**

There have been no defaults or rescheduling of borrowings with financial institutions, banks, conversion of loans into equity in relation to our Company.

## **Capacity / facility creation, location of plants**

Our Company has not created any capacity / facility.

## **Launch of key products or services, entry in new geographies or exit from existing markets**

Our Company has not launched any new key products or services or entered in new geographies or exited from existing markets.

## **Injunctions or restraining order against our Company**

There are no injunctions or restraining orders against our Company.

## **Revaluation of assets**

Our Company has not undertaken any revaluation of its assets since incorporation.

## **Strategic and financial partnerships**

Our Company currently does not have any strategic or financial partners.

## **Details of shareholders' agreements**

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholders' agreements among our Shareholders *vis-à-vis* our Company, which our Company is aware of.

## **Details regarding acquisition of business / undertakings, mergers, amalgamation, revaluation of assets / shareholders agreement in the last 10 (ten) years**

### **Acquisition of 365squared Limited**

#### **1. Share Purchase Agreement dated September 21, 2017 ("Acquisition SPA") and supplemental agreement dated September 24, 2019 ("Supplemental Agreement") by and amongst Tonio Ellul ("Seller 1"), Roneel Prasad ("Seller 2"), Christopher Bianco ("Seller 3" together with Seller 1 and Seller 2 referred to as "Sellers"), Route Mobile (UK) Limited ("Purchaser") and 365squared Limited ("365squared")**

The Purchaser had entered into a share purchase agreement dated September 21, 2017, with the Sellers and 365squared for purchasing 2,001 ordinary shares held by the Sellers in 365squared aggregating to 100% of the share capital of 365squared and voting rights on a fully diluted basis. The consideration payable by the Purchaser for such acquisition comprised of an upfront consideration and net amount determined on the basis of earn out amount based on year on year performance of 365squared.

As per the Acquisition SPA, an amount has been paid as the upfront consideration which is subject to an assumption that the EBITDA of 365squared for the financial year ending December 31, 2017, based on the audited financial statements for the financial year ended December 31, 2017, and downward adjustment as per the method and calculation provided in the Acquisition SPA. The earn out amount is linked to a target EBITDA *vis-à-vis* the actual EBITDA achieved at the end of each year as set forth in the Acquisition SPA ("**Earnout Amount**"). The provision of the Acquisition SPA obligates the parties from not disclosing at any time, directly or indirectly, use, disclose or publish or permit any other Person to use disclose or publish any confidential information relating to the company for a period of 5 years from the closing, unless such disclosure is required by applicable law.

Further, Purchaser entered into a supplemental agreement dated September 24, 2019 ("**Supplemental Agreement**") to the Acquisition SPA with Sellers and 365squared, to regulate the modality of the payment of the Earnout Amount and ancillary matters as stipulated in the Supplemental Agreement. As per Supplemental Agreement, total Euro 9,090,392.00 shall be paid by the Purchaser in the following manner:

- a. the first instalment of Euro one million each to Seller 1, Seller 2 and Seller 3 shall be paid on or before September 30, 2019; and
- b. the balance Earnout Amount of Euro 2,030,130.66 each to Seller 1, Seller 2 and Seller 3 shall be paid on or before January 31, 2020.

### **Acquisition of Call 2 Connect India Private Limited**

#### **1. Share Purchase Agreement dated April 19, 2017, between our Company("Buyer"), Arabi Holding Group Company ("ARG" or "Seller"), Call 2 Connect India Private Limited ("C2C"), and Anil K Sinha with Vimal K Sekhani (jointly referred to as "Shareholders")**

Our Company has entered into share purchase agreement with C2C, ARG and its Shareholders on April 19, 2017. Pursuant to the agreement, the Seller shall be entitled to the sale of 40,000 equity shares constituting 60% of the total issued and paid up equity share capital of C2C for an aggregate consideration of ₹ 34.00 million and our Company has agreed to purchase the equity shares of C2C. Further, the Seller and Shareholders, jointly and severally, agree to indemnify, defend and hold harmless the Buyer, the Company and its affiliates and their respective nominees, directors, excluding resigning directors, officers, shareholders, representatives, employees and agents. In addition, on request of the buyer, the share purchase agreement provides for the appointment of the representatives of the Buyer as additional directors of the C2C and for reconstitution of all committees of the board for inclusion of the same, the

agreement further approves the Buyer as a member of C2C and the legal and beneficial owner of the sale shares along with all the right, title and interest.

Further the ARG have undertaken and covenanted with C2C and our Company that during the time ARG holds the equity shares in the C2C and two years thereafter it shall not conduct any business or make any investment in India which would directly compete with the business of ARG.

**2. Share Purchase Agreement dated April 19, 2017, between our Company (“Buyer”), Vimal Kumar Sekhani (“Seller”) and Call 2 Connect India Private Limited (“C2C”)**

Our Company has entered into a share purchase agreement with Seller and C2C on April 19, 2017. In accordance with share purchase agreement, the Seller is entitled to the sale of 16,666 equity shares constituting 25% of the total issued, subscribed and paid-up equity share capital of C2C for an aggregate consideration of ₹ 14.17 million as provided in the share purchase agreement and the Buyer has agreed to purchase the equity shares.

Further, the Seller, has agreed to indemnify, defend and hold harmless the Buyer, the Company and their respective affiliates and their respective nominees, directors, excluding resigning directors, officers, shareholders, representatives, employees and agents, from and against any and all losses suffered by C2C due to any non-compliance with any laws arising for any period prior to closing date.

Further, the Seller has undertaken and covenanted with C2C and our Company that the Seller shall not during the time it holds the equity shares in C2C and two years thereafter conduct any business or make any investment in India which would directly compete with the business of C2C, however the Seller shall be able to invest in the securities of publicly listed companies only to the extent of 1% of the issued share capital of such listed public company.

**3. Share Purchase Agreement dated April 19, 2017, between our Company (“Buyer”), Anil Kumar Sinha (“Seller”) and Call 2 Connect India Private Limited (“C2C”)**

Our company has entered into a share purchase agreement with Seller and the C2C on April 19, 2017. In accordance with the share purchase agreement, the Seller shall be entitled to the sale of 10,000 equity shares constituting 15% of the total issued, subscribed and paid-up equity share capital of C2C for an aggregate consideration of ₹ 8.5 million as provided in the share purchase agreement and the Buyer has agreed to purchase the equity shares of C2C.

Further, the Seller, agree to indemnify, defend and hold harmless the Buyer, C2C and their respective affiliates and their respective nominees, directors, excluding resigning directors, officers, shareholders, representatives, employees and agents, from and against any and all losses suffered by C2C due to any non-compliance with any laws arising for any period prior to closing date.

Further the Seller has undertaken and covenanted with C2C and the Buyer that the Seller shall not during the time it holds the securities in C2C and two years thereafter conduct any business or make any investment in India which would directly compete with the business of C2C, however the Seller shall be able to invest in the securities of publicly listed companies only to the extent of 1% of the issued share capital of such listed public company.

**Acquisition of Start Corp India Private Limited**

**1. Share Purchase Agreement dated September 9, 2016, executed between our Company (“Buyer”) and Start Corp India Private Limited (“SCIPL”) along with Siddharth Goel, Aditya Goel, Narendra Goel, Savita Goel, Anirudh Goel and Varun Goel (“jointly referred to as “Shareholders”)**

Our Company has entered into a share purchase agreement with SCIPL and its Shareholders, to effectuate 100% acquisition of SCIPL by our Company. Pursuant to share purchase agreement, the Shareholders agreed to sell and our Company has agreed to purchase from the Shareholders, (free and clear from all encumbrances along with all rights and interest of any nature accruing attached), 10,000 equity shares constituting 100% of the total issued, subscribed and paid up equity share capital of SCIPL for an aggregate consideration of ₹ 20.00 million as provided in the share purchase agreement. In order to govern the functioning, regulate the relationship and respective rights and obligations between the parties till such time as the complete acquisition is effectuated, the share purchase agreement provides

detailed terms and conditions for the unhindered acquisition of SCIPL. The share purchase agreement provides resignation of directors on the board, passing of necessary resolutions etc. as a condition precedent to the purchase of equity shares. Additionally, the share purchase agreement, lists out the obligations of the Shareholders, our Company and SCIPL till such time as the acquisition is completed. After the said acquisition, requisite forms were to be filed with the Registrar of Companies by the resigning directors of SCIPL. The Shareholders undertake to jointly or severally indemnify, defend and hold harmless our Company, SCIPL and their respective nominees and directors from and against any and all losses arising from failure to comply with the terms and conditions of the share purchase agreement.

Further, the Shareholders have undertaken and covenanted with SCIPL and our Company that no Shareholders shall during the time it holds any securities in SCIPL and two years thereafter conduct any business or make any investment in India which would directly compete with the business of SCIPL, however the Shareholders shall be able to invest in the securities of publicly listed companies only to the extent of 1% of the issued share capital of such listed public company.

**2. Share Purchase Agreement dated September 9, 2016, and Supplemental Agreement dated March 3, 2017, executed between our Company (“Buyer”) and Cellent Technologies (India) Private Limited (“CTIPL”) along with Siddharth Goel, Aditya Goel, Narendra Goel, Savita Goel, Anirudh Goel and Varun Goel (“jointly referred to as “Shareholders”)**

Our Company has entered into a share purchase agreement with CTIPL and its Shareholders, to effectuate 100% shareholder acquisition of CTIPL by our Company. Pursuant to the share purchase agreement, the Shareholders agreed to sell and our Company has agreed to purchase from the Shareholders, (free and clear from all encumbrances along with all rights and interest of any nature accruing attached), 49,700 equity shares constituting 100% of the total issued, subscribed and paid up equity share capital of CTIPL for an aggregate consideration of ₹ 117.74 million as provided in the share purchase agreement. In order to govern the functioning, regulate the relationship and respective rights and obligations between the parties till such time as the complete acquisition is effectuated, the share purchase agreement provides detailed terms and conditions for the unhindered acquisition of CTIPL. Additionally, the share purchase agreement, lists out the obligations of the Shareholders, our Company and CTIPL till such time as the acquisition is completed. The Shareholders undertake to jointly or severally indemnify, defend and hold harmless our Company, CTIPL and their respective nominees and directors from and against any and all losses arising from failure to comply with the terms and conditions of the share purchase agreement.

Further the Shareholders have undertaken and covenanted with CTIPL and our Company that no Shareholder shall during the time it holds the securities in CTIPL and two years thereafter conduct any business or make any investment in India which would directly compete with the business of CTIPL, however the Shareholders shall be able to invest in the securities of publicly listed companies only to the extent of 1% of the issued share capital of such listed public company.

**Other confirmations**

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

## OUR SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has total 22 (twenty two) Subsidiaries of which 9 (nine) are direct subsidiaries and 13 (thirteen) are stepdown subsidiaries:

### *Subsidiaries*

1. Sphere Edge Consulting (India) Private Limited;
2. Start Corp India Private Limited;
3. Cellent Technologies (India) Private Limited;
4. Call 2 Connect India Private Limited;
5. Route Mobile (UK) Limited;
6. RouteSms Solutions Nigeria Ltd;
7. RouteSms Solutions FZE, UAE;
8. Route Mobile PTE Limited, Singapore; and
9. Route Connect Private Limited

### *Stepdown Subsidiaries*

1. Route Mobile L.L.C, UAE;
2. Route Mobile Hong Kong Limited;
3. Route Mobile Limited, Ghana;
4. Route Mobile Inc, USA;
5. Route Connect (Kenya) Limited;
6. 365squared Limited, Malta;
7. Route Mobile Nepal Private Limited;
8. Route Mobile Lanka (Private) Limited;
9. Route Mobile (Bangladesh) Limited;
10. Route Mobile Malta Limited;
11. Route SMS Solutions Zambia Limited;
12. Route Mobile Uganda Limited;
13. Spectrum Telecom FZ – LLC.

The details of our Subsidiaries are as follows:

### **Direct Subsidiaries**

#### **1. Sphere Edge Consulting (India) Private Limited (“Sphere Edge”)**

##### *Corporate Information*

Sphere Edge was incorporated on June 21, 2007 under the Companies Act, 1956 with the RoC, Maharashtra at Mumbai. Its CIN is U74140MH2007PTC171900 and its registered office is situated at 408, Evershine Mall, Mind Space, New Link Road, Malad (West), Mumbai – 400 064, Maharashtra, India.

Sphere Edge is engaged in the business of *inter alia* providing services to establish, promote, purchase, set up or connect 'with any database, network data and information processing centers and bureaus either on its own or as franchise centre for dissemination of knowledge and information related to computers, communications and information technology industry including print, video, CDROM, electronic media and digital media, intranet, internet modems, fax modems, video conferencing, E-Mail, voice mail, voice response systems, multiplexers, hubs, VSATS, cable, wireless network.

##### *Capital Structure*

The authorized share capital of Sphere Edge is ₹ 0.5 million divided into 50,000 equity shares of ₹ 10 each. The issued, subscribed and paid – up share capital of Sphere Edge is ₹ 0.1 million divided into 10,000 equity shares of ₹ 10 each.

### Shareholding as on July 31, 2019

The following table sets forth details of the shareholding of Sphere Edge:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Route Mobile Limited	9,999	99.99
2.	Chandrakant Gupta*	1	0.01
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*As a nominee of Route Mobile Limited

## 2. Start Corp India Private Limited (“Start Corp”)

### Corporate Information

Start Corp was incorporated on November 18, 2004 under the Companies Act, 1956 with the RoC at Maharashtra, at Mumbai. Its CIN is U72900MH2004PTC149576 and its registered office is situated at 401, Fourth Floor, Evershine Mall New Link Road, Malad (West), Mumbai – 400064, Maharashtra, India.

Start Corp is engaged in the business of *inter alia* providing wireless enterprise software solutions resulting in automation of business processes in the enterprise sector, include mobile banking, mobile CRM, mobile retail, mobile call – centres, mobile aviation, mobile identity management and mobile transaction management.

### Capital Structure

The authorized share capital of Start Corp is ₹ 0.5 million divided into 50,000 equity shares of ₹ 10 each. The issued, subscribed and paid – up share capital of Start Corp is ₹ 0.1 million divided into 10,000 equity shares of ₹ 10 each.

### Shareholding as on July 31, 2019

The following table sets forth details of the shareholding of Start Corp:

Sr. No.	Name of the shareholder	Number of equity shares of face value ₹ 10 each	Percentage of total equity holding (%)
1.	Route Mobile Limited	9,998	99.98
2.	Sandipkumar Gupta*	1	0.01
3.	Rajdipkumar Gupta*	1	0.01
<b>Total</b>		<b>10,000**</b>	<b>100.00</b>

\*As a nominee of Route Mobile Limited

\*\*Vide a circular resolution dated September 16, 2019, the Board of Directors of Route Mobile Limited has accorded its consent to sale of 10,000 equity shares of Start Corp to Sphere Edge Consulting (India) Private Limited. As on date of this Draft Red Herring Prospectus, the sale of 10,000 equity shares from Route Mobile Limited to Sphere Edge Consulting (India) Private Limited is pending.

## 3. Cellent Technologies India Private Limited (“Cellent Technologies”)

### Corporate Information

Cellent Technologies was incorporated on May 6, 2003 under the Companies Act, 1956 with the RoC at Maharashtra, at Mumbai. Its CIN is U64202MH2003PTC140310 and its registered office is situated at 401, Fourth Floor, Evershine Mall New Link Road, Malad (West), Mumbai – 400064, Maharashtra.

Cellent Technologies is engaged in the business of *inter alia* providing business of design, develop, purchase, sell, lease, market, import export software related to information technology for entertainment, bulk short message services,



mobile data services both on wireless and wired platforms either as principal or agent for such software and know – how relating thereto.

#### *Capital Structure*

The authorized share capital of Cellent Technologies is ₹ 0.5 million divided into 50,000 equity shares of ₹10 each. The issued, subscribed and paid – up share capital of Cellent Technologies is ₹ 0.49 million divided into 49,700 equity shares of ₹ 10 each.

#### *Shareholding as on July 31, 2019*

The following table sets forth details of the shareholding of Cellent Technologies:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of equity shares of face value ₹ 10 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile Limited	49,698	99.98
2.	Sandipkumar Gupta*	1	0.01
3.	Rajdipkumar Gupta*	1	0.01
<b>Total</b>		<b>49,700**</b>	<b>100.00</b>

\*As a nominee of Route Mobile Limited

\*\*Vide a circular resolution dated September 16, 2019, the Board of Directors of Route Mobile Limited has accorded its consent to sale of 49,698 equity shares of Cellent Technologies to Sphere Edge Consulting (India) Private Limited. As on date of this Draft Red Herring Prospectus, the sale of 49,698 equity shares from Route Mobile Limited to Sphere Edge Consulting (India) Private Limited is pending.

#### **4. Call 2 Connect India Private Limited (“Call 2 Connect”)**

##### *Corporate Information*

Call 2 Connect was incorporated on June 3, 2003 under the Companies Act, 1956 with the RoC at Maharashtra, at Mumbai. Its CIN is U72900MH2003PTC140693 and its registered office is situated at 401, Fourth Floor, Evershine Mall New Link Road, Malad (West), Mumbai – 400064, Maharashtra, India.

Call 2 Connect is engaged in the business of *inter alia* providing services including training for call center, management of data center and placement in or connection with telecommunication, information, technology, data management, print media, human relation management, DTH, satellite, cable operation, energy and environment audit etc.

#### *Capital Structure*

The authorized share capital of Call 2 Connect is ₹ 5 million divided into 490,000 equity shares of ₹ 10 each having voting rights and 10,000 equity shares of ₹ 10 each having no voting rights. The issued, subscribed and paid – up share capital of Call 2 Connect is ₹ 1.27 million divided into 126,666 equity shares of ₹10 each having voting rights.

#### *Shareholding as on July 31, 2019*

The following table sets forth details of the shareholding of Call 2 Connect:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of equity shares of face value ₹ 10 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile Limited	126,664	99.98
2.	Sandipkumar Gupta*	1	0.01
3.	Rajdipkumar Gupta*	1	0.01
<b>Total</b>		<b>126,666</b>	<b>100.00</b>

\* As a nominee of Route Mobile Limited

## 5. Route Mobile (UK) Limited (“RML UK”)

### Corporate Information

RML UK was incorporated as “Routesms Solutions (UK) Limited” on August 8, 2011 under the Companies Act, 2006 with Registrar of Companies for England and Wales. Subsequently, its name was changed to “Route Mobile (UK) Limited” on May 25, 2016 and a certificate of incorporation on change of name was issued by Registrar of Companies for England and Wales. Its registration no. is 07733317 and its registered office is situated at 183-189 The Vale, London W3 7RW, United Kingdom.

RML UK is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging.

### Capital Structure

The authorized share capital of RML UK is 20,000 ordinary shares of £ 1 each. The issued, subscribed and paid – up share capital of RML UK is 20,000 ordinary shares of £ 1 each.

### Shareholding as on July 31, 2019:

The following table sets forth details of the shareholding of RML UK:

Sr. No.	Name of the shareholder	Number of ordinary shares of face value £ 1 each	Percentage of total equity holding (%)
1.	Route Mobile Limited	20,000	100.00
<b>Total</b>		<b>20,000</b>	<b>100.00</b>

## 6. RouteSms Solutions Nigeria Ltd (“Routesms Nigeria”)

### Corporate Information

Routesms Nigeria was incorporated on October 10, 2014 under the Companies and Allied Matters Act, 1990 with Federal Republic of Nigeria. Its registration no. is RC 1217910 and its registered office is situated at Suite 405, 4th Floor, AHCN Towers, CIPM Road, Central Business District, Alausa, Ikeja, Lagos, Nigeria.

Routesms Nigeria is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

### Capital Structure

The authorized share capital of Routesms Nigeria is NGN 10,000,000 divided into 10,000,000 shares of NGN 1 each, and the issued, subscribed and paid – up share capital of Routesms Nigeria is NGN 10,000,000 divided into 10,000,000 ordinary shares of NGN 1 each.

### Shareholding as on July 31, 2019

The following table sets forth details of the shareholding of Routesms Nigeria:

S. No.	Name of the shareholder	Number of ordinary shares of face value NGN 1.00 each	Percentage of total equity holding (%)
1.	Route Mobile Limited	9,800,000	98.00
2.	Sandipkumar Gupta*	100,000	1.00
3.	Rajdipkumar Gupta*	100,000	1.00

S. No.	Name of the shareholder	Number of ordinary shares of face value NGN 1.00 each	Percentage of total equity holding (%)
<b>Total</b>		<b>10,000,000</b>	<b>100.00</b>

*\*Nominee of Route Mobile Limited*

## **7. RouteSms Solutions FZE, UAE (“Routesms FZE”)**

### *Corporate Information*

Routesms FZE was incorporated on January 31, 2013 as a free zone establishment with the RAK Investment Authority. Its registration no. is RAKIA 72FZ3 01 13 6543 and the registered office is situated at P. O Box 31291, RAS AL Khaimah, United Arab Emirates.

Routesms FZE is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

### *Capital Structure*

The issued share capital of Routesms FZE is AED 41,725 comprising of 41,725 shares of AED 1 each.

### *Shareholding as on July 31, 2019*

The following table sets forth details of the shareholding of Routesms FZE:

Sr. No.	Name of the shareholder	Number of shares of face value AED 1.00 each	Percentage of total equity holding (%)
1.	Route Mobile Limited	41,725	100.00
<b>Total</b>		<b>41,725</b>	<b>100.00</b>

## **8. Route Mobile Pte. Limited, Singapore (“Route Mobile Pte”)**

### *Corporate Information*

Route Mobile Pte was incorporated on October 17, 2016 under the Companies Act, Cap. 50 with the Registrar of Companies, Accounting and Corporate Regulatory Authority, Republic of Singapore. Its registration no. is 201628553C and the registered office is situated at 23 New Industrial Road, #04-09 Solstice Business Center, Singapore 536209.

Route Mobile Pte is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

### *Capital Structure*

The issued share capital of Route Mobile Pte is SGD 25,000 comprising of 25,000 shares of SGD 1 each.

### *Shareholding as on July 31, 2019*

The following table sets forth details of the shareholding of Route Mobile Pte.:

Sr. No.	Name of the shareholder	Number of shares of face value SGD 1.00 each	Percentage of total equity holding (%)
1.	Route Mobile Limited	25,000	100.00
<b>Total</b>		<b>25,000</b>	<b>100.00</b>

## 9. Route Connect Private Limited (“Route Connect”)

### *Corporate Information*

Route Connect was incorporated on April 2, 2018 under the Companies Act, 2013 with the RoC at Maharashtra, at Mumbai. Its CIN is U74999MH2018PTC307385 and its registered office is situated at 401, Fourth Floor, Evershine Mall, Meter Cabin No.1, New Link Road, Malad (West), Mumbai – 400064, Maharashtra, India.

Route Connect is engaged in the business of *inter alia* call centre, BPO and/or ITES operations, to carry on the business of call centre operators in the field of finance, insurance, risk management, safety, environment finance, and other related areas and the business of applications software related to call centres software engineering, programming, data processing, training, research development of software packages, & tools and computerization and development of software packages and solutions in and outside India.

### *Capital Structure as on July 31, 2019*

The authorized share capital of Route Connect is ₹ 1 million divided into 100,000 equity shares of ₹ 10 each. The issued, subscribed and paid – up share capital of Route Connect is ₹ 100,000 divided into 10,000 equity shares of ₹10 each.

### *Shareholding*

The following table sets forth details of the shareholding of Route Connect:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of equity shares of face value ₹ 10 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile Limited	7,400	74.00
2.	Call 2 Connect India Private Limited	2,600	26.00
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

## **Stepdown Subsidiaries**

### **1. Route Mobile L.L.C, UAE (“Route Mobile LLC”)**

#### *Corporate Information*

Route Mobile LLC was incorporated on July 21, 2016 under U.A.E. New Commercial Companies Law No. 2 of 2015 Its registration no. is 1244863 and its office is situated at 403, 4th Floor, One by Omniyat, Business Bay, PO Box 211743, Dubai, UAE.

Route Mobile LLC is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

#### *Capital Structure*

The paid – up share capital of Route Mobile LLC is AED 300,000 divided into 300 equity shares of AED 1,000 each.

#### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, Routesms FZE, indirectly holds equity shares in Route Mobile LLC. Routesms FZE holds 147 equity shares of AED 1,000 each aggregating to 49.00% of the issued share capital of Route Mobile LLC and the balance 51% by M/s Alburaq International LLC.

The following table sets forth details of the shareholding of Route Mobile LLC:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of equity shares of face value AED 1,000 each</b>	<b>Percentage of total equity holding (%)</b>
1.	RouteSms Solutions FZE	147	49.00
2.	M/s. Alburag International LLC	153	51.00
<b>Total</b>		<b>300</b>	<b>100.00</b>

## **2. Route Mobile Hong Kong Limited (“Route Hong Kong”)**

### *Corporate Information*

Route Hong Kong was incorporated on February 10, 2015 as ‘*Route Voice Limited*’ under Companies Ordinance (Chapter 622 of the Laws of Hong Kong) with the Companies Registry, Hong Kong. Its registration no. is 2202310 and its office is situated at RM 702, 7/F Fu Fai Comm Ctr 27, Hillier St Sheung Wan, Hong Kong. Pursuant to the special resolution dated December 31, 2017 passed by its sole member, Route Hong Kong has changed its name to Route Mobile Hong Kong Limited and the same is approved by the Registrar of Companies, Hong Kong Special Administrative Region on January 17, 2018.

Route Hong Kong is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

### *Capital Structure*

The issued, subscribed and paid – up share capital of Route Hong Kong is HKD 10,000 divided into 10,000 equity shares of HKD 1 each.

### *Shareholding as on July 31, 2019*

Our Company, indirectly through our Subsidiary, RML UK, holds shares in Route Hong Kong. Route Hong Kong is a wholly owned subsidiary of RML UK.

The following table sets forth details of the shareholding of Route Hong Kong:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of shares of face value HKD 1 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	10,000	100.00
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

The director of Route Hong Kong has submitted an application with Companies Registry, Hong Kong on August 26, 2019 for deregistration of the company.

## **3. Route Mobile Limited, Ghana (“Route Mobile Ghana”)**

### *Corporate Information*

Route Mobile Ghana was incorporated on June 21, 2016 under Companies Act, 1963 with the Registrar of Companies, Republic of Ghana. Its registration no. is CS108532016 and its office is situated at Adjacent Royal Mart Building, Off the Tseaddo-Zenith University Road, Accra, Greater Accra, PO BOX OS1785, OSU, ACCRA, Ghana.

Route Mobile Ghana is engaged in the business of *inter alia* providing technology services for telecommunication solutions.

### *Capital Structure*

The share capital of Route Mobile Ghana is GHS 1,170,000 divided into 1,170,000 shares of GHS 1 each.

#### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds shares in Route Mobile Ghana. RML UK holds 819,000 ordinary shares aggregating to 70.00% of the issued share capital of Route Mobile Ghana and the balance 15.00% of the issued share capital of Route Mobile Ghana is held by Faizatu Takyi and 15.00% of the issued share capital is held by Yakubu Boabeng Abdulai.

The following table sets forth details of the shareholding of Route Mobile Ghana:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of shares of face value GHS 1 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	819,000	70.00
2.	Faizatu Takyi	175,500	15.00
3.	Yakubu Boabeng Abdulai	175,500	15.00
<b>Total</b>		<b>1,170,000</b>	<b>100.00</b>

#### **4. Route Mobile Inc, USA (“Route Mobile Inc”)**

##### *Corporate Information*

Route Mobile Inc was incorporated on July 6, 2017 under the Virginia laws with the State Corporation Commission, Commonwealth of Virginia. Its registered office is situated at 3240 Estate Street Ext. Hamilton, NJ 08619 Mercer.

Route Mobile Inc is authorized to engage in any lawful business for which Route Mobile Inc is incorporated under the Virginia Stock Corporation Act.

##### *Capital Structure*

The authorized share capital of Route Mobile Inc is \$200 divided into 200 shares of \$ 1 each. The issued, subscribed and paid – up share capital of Route Mobile Inc is \$ 200 divided into 200 shares of \$ 1 each.

#### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds shares in Route Mobile Inc. RML UK holds 200 shares of \$ 1 each aggregating to 100.00% of the issued share capital of Route Mobile Inc.

The following table sets forth details of the shareholding of Route Mobile Inc:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of shares of face value \$ 1 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	200	100.00
<b>Total</b>		<b>200</b>	<b>100.00</b>

#### **5. Route Connect (Kenya) Limited (“Route Connect”)**

##### *Corporate Information*

Route Connect was incorporated on July 26, 2017 under the Companies Act, 2015 with the Registrar of Companies, Kenya. Its registration no. is PVT – ZQULJVZ and the registered office is situated at Standard House, Plot Number 209/4045, House Number 10, Nairobi, Standard Street, P. O. Box 67290-00200, City Square, Kenya.

Route Connect is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

##### *Capital Structure*

The share capital of Route Connect is KES 10,000,000 divided into 100,000 ordinary shares of KES 100 each.

*Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds shares in Route Connect. RML UK along with its nominees holds 100,000 ordinary shares aggregating to 100% of the issued share capital of Route Connect.

The following table sets forth details of the shareholding of Route Connect:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of ordinary shares of face value KES 100 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	99,100	99.10
2.	Sandipkumar Gupta*	450	0.45
3.	Rajdipkumar Gupta*	450	0.45
<b>Total</b>		<b>100,000</b>	<b>100.00</b>

*\*As a nominee of Route Mobile (UK) Limited*

## **6. 365squared Limited (“365squared”)**

*Corporate Information*

365squared was incorporated on December 6, 2012 as a limited liability company under the Companies Act, 1995 with the Registrar of Companies, Malta. Its registration no. is C58493 and the registered office is situated at 4, El Casita, Triq Dar il – Bebbux, Ghaxaq, Malta.

365squared is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on SMS filtering, analytics and monetisation.

*Capital Structure*

The authorized share capital of 365squared is €2,001 divided into 2,001 ordinary shares of €1 each. The issued, subscribed and paid – up share capital of 365squared is €2,001 divided into 2,001 ordinary shares of €1 each.

*Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds shares in 365squared. 365squared is a wholly owned subsidiary of RML UK.

The following table sets forth details of the shareholding of 365squared:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of ordinary shares of face value € 1 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	2,001	100.00
<b>Total</b>		<b>2,001</b>	<b>100.00</b>

## **7. Route Mobile Nepal Private Limited (“Route Nepal”)**

*Corporate Information*

Route Nepal was incorporated on May 22, 2018 under Companies Act, 2006. Its registration no. is 189885/74/075 and its office is situated at K.M.N.P. Wada No. 11, Thapathali, Kathmandu.

Route Nepal is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

### *Capital Structure*

The authorized share capital of Route Nepal is NRS 10,000,000 divided into 100,000 shares of NRS 100 each. The paid – up share capital of Route Nepal is NRS 5,000,000 divided into 50,000 shares of NRS 100 each.

### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds equity shares in Route Nepal. RML UK holds 50,000 shares of NRS 100 each aggregating to 100% of the issued share capital of Route Nepal.

The following table sets forth details of the shareholding of Route Nepal:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of equity shares of face value NRS 100 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	50,000	100
<b>Total</b>		<b>50,000</b>	<b>100</b>

## **8. Route Mobile Lanka (Private) Limited (“Route Lanka”)**

### *Corporate Information*

Route Lanka was incorporated on March 23, 2018 under the Companies Act No. 7 of 2007. Its registration no. is PV131044 and its office is situated at 47, Alexandra Place, Colombo, 07.

Route Lanka is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

### *Capital Structure*

The authorized share capital of Route Lanka is LKR 100,000 divided into 10,000 shares of LKR 10 each, and the issued, subscribed and the paid – up share capital of Route Lanka is LKR 100,000 divided into 10,000 shares of LKR 10 each.

### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds equity shares in Route Lanka. RML UK holds 10,000 shares of LKR 10 each aggregating to 100% of the issued share capital of Route Lanka.

The following table sets forth details of the shareholding of Route Lanka:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of equity shares of face value LKR 10 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	10,000	100
<b>Total</b>		<b>10,000</b>	<b>100</b>

## **9. Route Mobile (Bangladesh) Limited (“Route Bangladesh”)**

### *Corporate Information*

Route Bangladesh was incorporated on April 26, 2018 under Act XVIII of 1994 with the Registrar of Joint Stock Companies & Firms, Bangladesh. Its registration no. is C-144611/2018 and its office is situated at House: 1/D, Road: 07, Sector: 07, Uttara, Dhaka, PO: 1230.

Route Bangladesh is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.



### Capital Structure

The authorized share capital of Route Bangladesh is BDT 10,000,000 divided into 1,000,000 shares of BDT 10 each. The paid – up share capital of Route Bangladesh is BDT 1,000,000 divided into 100,000 shares of BDT 10 each.

#### Shareholding as on July 31, 2019

Our Company, through our Subsidiary, RML UK, indirectly holds equity shares in Route Bangladesh. RML UK holds 99,999 shares of BDT 10 each aggregating to 99.99% of the issued share capital of Route Bangladesh and the balance 0.01% by Sandipkumar Gupta.

The following table sets forth details of the shareholding of Route Bangladesh:

Sr. No.	Name of the shareholder	Number of equity shares of face value BDT 10 each	Percentage of total equity holding (%)
1.	Route Mobile (UK) Limited	99,999	99.99
2.	Sandipkumar Gupta	1	0.01
<b>Total</b>		<b>100,000</b>	<b>100</b>

### 10. Route Mobile Malta Limited (“Route Malta”)

#### Corporate Information

Route Malta was incorporated on June 6, 2018 under Companies Act, 1995, with the Registrar of Companies, Malta. Its registration no. is C85771 and its office is situated at Velzon Building, Block B, Pantar Road, Lija, Malta.

Route Malta is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

### Capital Structure

The authorized share capital of Route Malta is € 2,100 divided into 2,100 shares of € 1 each. The paid – up share capital of Route Malta is € 2,100 divided into 2,100 shares of € 1 each.

#### Shareholding as on July 31, 2019

Our Company, through our Subsidiary, RML UK, indirectly holds equity shares in Route Malta. RML UK holds 2,100 shares of €1 each aggregating to 100% of the issued share capital of Route Malta.

The following table sets forth details of the shareholding of Route Malta:

Sr. No.	Name of the shareholder	Number of equity shares of face value € 1 each	Percentage of total equity holding (%)
1.	Route Mobile (UK) Limited	2,100	100
<b>Total</b>		<b>2,100</b>	<b>100</b>

### 11. Route SMS Solutions Zambia Limited (“Route SMS Zambia”)

#### Corporate Information

Route SMS Zambia was incorporated on November 08, 2018 as a company limited by shares under the laws of the Republic of Zambia with the Registrar of Companies, Lusaka, Zambia. Its registration no. is 120180009429 and the registered office is situated at 2nd Floor, Lotti House, Suite 5, Western Wing, Cario Road, Lusaka, P.O. Box 391144.

Route SMS Zambia is engaged in the business of *inter alia* providing technology services for mobile communications with a focus on messaging and voice solutions.

#### *Capital Structure*

The authorized share capital of Route SMS Zambia is ZMK 15,000 divided into 15,000 ordinary shares of ZMK 1 each. The issued, subscribed and paid – up share capital of Route SMS Zambia is ZMK 15,000 divided into 15,000 ordinary shares of ZMK 1 each.

#### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds shares in RouteSMS Zambia. Route SMS Zambia is a subsidiary of RML UK.

The following table sets forth details of the shareholding of Route SMS Zambia:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of ordinary shares of face value ZMK 1 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Rajdipkumar Gupta*	7,500	50.00
2.	Sandipkumar Gupta*	7,499	49.99
3.	Brian Mwale	1	0.01
<b>Total</b>		<b>15,000</b>	<b>100.00</b>

\*As a Nominee shareholder of RML UK

## **12. Route Mobile Uganda Limited (“Route Uganda”)**

#### *Corporate Information*

Route Uganda was incorporated on March 26, 2018 as a company limited by shares under the Companies Act, 2012 with the Registrar of Companies, Kampala, Uganda. Its registration no. is 80020000743039 and the registered office is situated at Ntinda Complex, Block B, Plot 33 Minds Road, 3rd Floor, P.O.Box 40411, Nakawa, Uganda.

Route Uganda is engaged in the business of *inter alia* to establish, promote, purchase, set up or connect with any database, network data and information processing centres and bureaus for dissemination of knowledge and information related to computers, communication and information technology industry.

#### *Capital Structure*

The authorized share capital of Route Uganda is UGX 50,000,000 divided into 100 ordinary shares of 500,000 each. The issued, subscribed and paid – up share capital of Route Uganda is UGX 50,000,000 divided into 100 ordinary shares of 500,000 each.

#### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds shares in Route Uganda. Route Uganda is a wholly owned subsidiary of RML UK.

The following table sets forth details of the shareholding of Route Uganda:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of ordinary shares of face value UGX 500,000 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	98	98.00
2.	Sandipkumar Gupta*	1	1.00
3.	Rajdipkumar Gupta*	1	1.00

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of ordinary shares of face value UGX 500,000 each</b>	<b>Percentage of total equity holding (%)</b>
<b>Total</b>		<b>100</b>	<b>100</b>

*\*As a Nominee shareholder of RML UK*

### **13. Spectrum Telecom FZ – LLC (“Spectrum Telecom”)**

#### *Corporate Information*

Spectrum Telecom was incorporated on July 16, 2019 as a Free Zone Company with limited liability under the provisions of the Private Companies Regulations of 2016 issued under Law No. 15 of 2014 concerning Dubai Development Authority and its amendments. Its registration no. is 96252 and the registered office is situated at Premises No. SD2 – 34, Floor Ground, Building – 16, Dubai, United Arab Emirates.

Spectrum Telecom is engaged in the business of *inter alia* to establish, promote, purchase, set up or connect with any database, network data and information processing centres and bureaus for dissemination of knowledge and information related to computers, communication and information technology industry.

#### *Capital Structure*

The issued, subscribed and paid – up share capital of Spectrum Telecom is AED 10,000 divided into 10 Shares of 1,000 each.

#### *Shareholding as on July 31, 2019*

Our Company, through our Subsidiary, RML UK, indirectly holds shares in Spectrum Telecom. Spectrum Telecom is a wholly owned subsidiary of RML UK.

The following table sets forth details of the shareholding of Spectrum Telecom:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of shares of face value AED 1,000 each</b>	<b>Percentage of total equity holding (%)</b>
1.	Route Mobile (UK) Limited	10	100.00
<b>Total</b>		<b>10</b>	<b>100.00</b>

#### *Accumulated Profits or Losses of our Subsidiaries*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries, not accounted for, by our Company.

#### **Common Pursuits**

Certain of our Subsidiaries are engaged in lines of business that are similar and/or synergistic to our Company, primarily pertaining to cloud communication platform services with a focus on messaging and voice solutions. However, our Subsidiaries have been incorporated/acquired to undertake or operate in line with business model in the same geographical markets as our Company. As a result, there may be conflicts of interest in allocating business opportunities between us and other Subsidiaries. There may also be conflicts of interest between our Subsidiaries and us in pursuing new contracts for cloud communication platform services. We have not entered into any non-compete agreements with our Subsidiaries.

For further details of our Subsidiaries and their businesses, see “– Subsidiaries of our Company” on page 149. For details on the related business transactions between our Subsidiaries and our Company and significance of such transactions on the financial performance of our Company see, “Financial Statements - Related Party Transactions” on page 189.

### **Business interest between our Company and the Subsidiaries**

Except as stated in the “*Our Business*” and “*Financial Statements - Related Party Transactions*” on page 118 and 189, none of the Subsidiaries have any business interest in our Company.

### **Other confirmations**

#### *Listing*

None of our Subsidiaries are listed on any stock exchange in India or abroad. None of our Subsidiaries have been refused listing of any securities at any time, by any of the recognised stock exchanges in India or abroad.

None of our Subsidiaries have made any public or rights issue (including any rights issue to the public) in the three years preceding the date of this Draft Red Herring Prospectus.

#### *Litigation*

For details on the pending litigation and legal proceedings involving our Subsidiaries, please refer to the section “*Outstanding Litigation and Material Developments*” on page 348.

## OUR MANAGEMENT

### Board of Directors

As per our Articles of Association, our Company is required to have not less than four Directors and not more than 15 Directors. As on the date of filing this Draft Red Herring Prospectus, our Company has six Directors on its Board, of which three are independent Directors, including one woman Director.

### Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, DIN, term, period of directorship and nationality	Age (years)	Other directorship
<b>Chandrakant Gupta</b>	<b>66</b>	<b>Indian Companies</b>
<b>Designation:</b> Chairman and Non-executive Director		1. Sanraj Family Ventures Private Limited;
<b>Date of birth:</b> July 19, 1953		2. Sphere Edge Consulting (India) Private Limited;
<b>Address:</b> M/201, Panchsheel Gardens, Mahavir Nagar, Kandivali (West), Mumbai 400 067, Maharashtra, India		3. Cellent Technologies (India) Private Limited;
<b>Occupation:</b> Business		4. Start Corp India Private Limited;
<b>DIN:</b> 01636981		5. Cobx Gaming Private Limited;
		6. Horizon Sports India Private Limited; and
		7. Route Connect Private Limited.
<b>Current Term:</b> Liable to retire by rotation.		<b>Foreign Companies</b>
<b>Period of Directorship:</b> Director since January 23, 2007		Nil
<b>Nationality:</b> Indian		
<b>Rajdipkumar Gupta</b>	<b>44</b>	<b>Indian Companies</b>
<b>Designation:</b> Managing Director and Group Chief Executive Officer		1. Sphere Edge Consulting (India) Private Limited;
<b>Date of birth:</b> August 1, 1975		2. Cobx Gaming Private Limited;
<b>Address:</b> M/201, Panchsheel Gardens, Mahavir Nagar, Kandivali (West), Mumbai 400 067, Maharashtra, India		3. Sanraj Family Ventures Private Limited;
<b>Occupation:</b> Business		4. Cellent Technologies (India) Private Limited;
<b>DIN:</b> 01272947		5. 29 Three Holidays Private Limited;
		6. Start Corp India Private Limited;
		7. Call 2 Connect India Private Limited;
		8. Horizon Sports India Private Limited; and
		9. Route Connect Private Limited.
<b>Current Term:</b> 5 years with effect from May 1, 2017		<b>Foreign Companies</b>
<b>Period of Directorship:</b> Director since May 15, 2004		1. Route Mobile (UK) Limited;
<b>Nationality:</b> Indian		2. RouteSms Solutions Nigeria Ltd;
		3. Route Mobile PTE Limited;
		4. Route Mobile LTD (Ghana);
		5. Route Mobile LLC;

Name, designation, date of birth, address, occupation, DIN, term, period of directorship and nationality	Age (years)	Other directorship
		6. Route Connect (Kenya) Limited; 7. 365squared Limited; 8. Route Mobile Hong Kong Limited; 9. Route Mobile Lanka (Private) Limited; 10. Route Mobile Uganda Limited; 11. Route Mobile (Bangladesh) Limited; 12. Route Mobile Nepal Private Limited; 13. Spectrum Telecom FZ – LLC; 14. Route Mobile Malta Limited; and 15. Routesms Solutions Zambia Limited
<b>Sandipkumar Gupta</b>	<b>45</b>	<b>Indian Companies</b>
<b>Designation:</b> Non-executive Director		1. 29 Three Holidays Private Limited;
<b>Date of birth:</b> July 8, 1974		2. Sanraj Family Ventures Private Limited;
<b>Address:</b> M/201, Panchsheel Gardens, Mahavir Nagar, Kandivali (West), Mumbai 400 067, Maharashtra, India		3. Sphere Edge Consulting (India) Private Limited;
<b>Occupation:</b> Business		4. Cellent Technologies (India) Private Limited;
<b>DIN:</b> 01272932		5. Start Corp India Private Limited;
<b>Current Term:</b> Liable to retire by rotation		6. Call 2 Connect India Private Limited;
<b>Period of Directorship:</b> Director since May 15, 2004		7. Horizon Sports India Private Limited;
<b>Nationality:</b> Indian		8. Route Connect Private Limited; and
		9. Cobx Gaming Private Limited.
		<b>Foreign Companies</b>
		1. Route Mobile (UK) Limited;
		2. RouteSms Solutions Nigeria Ltd;
		3. RouteSms Solutions FZE;
		4. Route Mobile Hong Kong Limited;
		5. Route Mobile PTE Limited;
		6. Route Mobile LTD (Ghana);
		7. Route Connect (Kenya) Limited;
		8. Route Mobile Inc;
		9. 365 Squared Limited;
		10. Route Mobile Lanka (Private) Limited;
		11. Route Mobile Uganda Limited;
		12. Route Mobile (Bangladesh) Limited;
		13. Route Mobile Nepal Private Limited;
		14. Spectrum Telecom FZ – LLC
		15. Route Mobile Malta Limited; and
		16. Routesms Solutions Zambia Limited.
<b>Ramachandran Sivathanu</b>	<b>53</b>	<b>Indian Companies</b>
<b>Designation:</b> Independent Director		1. Smar Digital Media Private Limited
<b>Date of birth:</b> March 25, 1966		<b>Foreign Companies</b>
<b>Address:</b> No 46, F – 1 , 1st Floor, Alraza Glendale Apartments, Ellaiamman Koil Street, Adyar, Chennai 600 020, Tamil Nadu, India		Nil
<b>Occupation:</b> Service		

Name, designation, date of birth, address, occupation, DIN, term, period of directorship and nationality	Age (years)	Other directorship
<b>DIN:</b> 07613555		
<b>Current Term:</b> 5 years with effect from November 22, 2017		
<b>Period of Directorship:</b> Director since November 22, 2017		
<b>Nationality:</b> Indian		
<b>Ankit Paleja</b>	<b>36</b>	<b>Indian Companies</b>
<b>Designation:</b> Independent Director		Nil
<b>Date of birth:</b> September 25, 1983		<b>Foreign Companies</b>
<b>Address:</b> Flat No-12, Goma Grah, Sir Vithaldas Nagar, North, Avenue Road, Santacruz (West), Mumbai 400 054, Maharashtra, India		Nil
<b>Occupation:</b> Advocate		
<b>DIN:</b> 06975564		
<b>Term:</b> 5 years with effect from November 22, 2017		
<b>Period of Directorship:</b> Director since November 22, 2017		
<b>Nationality:</b> Indian		
<b>Sudha Navandar</b>	<b>52</b>	<b>Indian Companies</b>
<b>Designation:</b> Independent Director		1. Goa Glass Fibre Limited;
<b>Date of birth:</b> November 2, 1966		2. Kshitij Capital Advisors Private Limited;
<b>Address:</b> 603, 604/209, Anita Kutir CHS, HIG Colony, 90 Feet Road, Opposite State Bank of India, Near Ganpati Mandir, Ghatkopar East, Mumbai 400 075, Maharashtra, India		3. Anand Rathi Financial Services Limited; and
		4. Anand Rathi Wealth Services Limited.
<b>Occupation:</b> Professional		<b>Foreign Companies</b>
<b>DIN:</b> 02804964		Nil
<b>Current Term:</b> 5 years with effect from November 22, 2017		
<b>Period of Directorship:</b> Director since November 22, 2017		
<b>Nationality:</b> Indian		

## Brief profiles of our Directors

**Chandrakant Gupta**, aged 66 years, is the Chairman and Non-executive Director of our Company. He received the higher secondary school examination certificate from Board of High School and Intermediate Education, Uttar Pradesh. He has been a Director on our Board since 2007.

**Rajdipkumar Gupta**, aged 44 years, is the Managing Director and Group Chief Executive Officer of our Company. He holds a bachelor's degree in science (physics) from University of Mumbai and master's diploma in software engineering from Aptech Computer Education. He is also a certified HTML programmer Perl programmer and active server pages programmer from Brainbench. He is the Promoter of our Company and has been associated with our Company since inception. Prior to incorporating our Company, he has worked with Approved Information Systems (I) Private Limited and GurukulOnline Learning Solutions Private Limited. He has more than 17 years of experience in the field of software designing and development. He is responsible for our Company's growth and business development.

**Sandipkumar Gupta**, aged 45 years, is the Non-Executive Director of our Company. He holds a bachelor's degree in commerce from University of Mumbai. He is also a qualified chartered accountant and a member of the Institute of Chartered Accountants of India. He is a SAP certified solution consultant – mySAP Financials – Managerial and Financial Accounting. He is also the Promoter of our Company and has been associated with our Company since inception. Prior to incorporating our Company, he has worked with Covansys (India) Private Limited. He has worked with PricewaterhouseCoopers Private Limited. He has over 18 years of experience in audit and accounts and business analysis, and over 15 years of experience in SAP configuration and software system consulting.

**Ramachandran Sivathanu**, aged 53 years, is an Independent Director of our Company. He holds a bachelor's degree in science from University of Madras and holds a master's degree in business administration from Sikkim Manipal University. Prior to joining our Company, he has worked with Loop Telecom Private Limited, Loop Mobile (India) Limited, Meridian Mobile Private Limited, RPG Cellular Services Limited, Red Bottle Telecommunications Consultancy Private Limited, Clothesline Media Private Limited and Eureka Forbes Limited.

**Ankit Paleja**, aged 36 years, is an Independent Director of our Company. He holds a bachelor's degree in law from University of Mumbai. He is a member of the Bar Council of Maharashtra and Goa since 2007. He has more than 10 years of experience in the field of corporate and commercial laws, joint ventures, project finance, corporate and structured finance, mergers & acquisitions, disinvestments and is presently an Associate Partner with the law firm M/s. Crawford Bayley & Co. He has served as a director on the board of Centrum Wealth Management Limited, Centrum Broking Limited and REICO Industries Limited.

**Sudha Navandar**, aged 52 years, is an Independent Director of our Company. She is a qualified chartered accountant registered with the Institute of Chartered Accountants of India and a Certified Public Accountant, USA. She is also an insolvency professional. She is currently a partner in M/s. Pravin R. Navandar & Co. Chartered Accountants, with main focuses on corporate audits (internal and statutory), bank audits, company law cases, income leakage and corporate advisory services. She is also an independent director on the board of Goa Glass Fibre Limited, Anand Rathi Financial Services Limited and Anand Rathi Wealth Services Limited.

## Relationship between our Directors and Key Managerial Personnel

Except as stated below, none of our Directors are related to each other or any of the Key Managerial Personnel:

Name of the Director / Key Managerial Personnel	Nature of Relationship
Chandrakant Gupta and Sandipkumar Gupta	Father and Son
Chandrakant Gupta and Rajdipkumar Gupta	Father and Son
Rajdipkumar Gupta and Sandipkumar Gupta	Brothers

## Remuneration details of our Directors

(i) *Remuneration of our executive Director*



## Rajdipkumar Gupta

Rajdipkumar Gupta was appointed as an executive Director at the time of incorporation of our Company and was appointed as a Managing Director for five years with effect from May 1, 2017 at the meeting of our Board held on April 25, 2017 and confirmed by our shareholders at their meeting held on May 22, 2017. Pursuant to the terms of his appointment, he is entitled to a gross remuneration of ₹ 36.00 million per annum

The aggregate value of the remuneration paid to executive Directors in Fiscal 2019 is as follows:

Name of Director	Remuneration (in ₹ million)
Rajdipkumar Gupta	5.24

### (ii) Remuneration details of our Non-executive Directors and Independent Directors

Pursuant to a resolution dated March 6, 2018 of our Board of Directors, our Non – executive, Independent Directors are entitled to sitting fees of ₹ 25,000 for attending each meeting of our Board and sitting fees of ₹ 25,000 per meeting for attending each meeting of the committees of our Board. Additionally, our Independent Directors are also entitled to reimbursement of travelling and out of pocket expenses incurred by them to attend such meetings.

Below are the details of sitting fees/remuneration paid to our Non-executive Directors and Independent Directors during Fiscal 2019:

Name of Director	Sitting fee/ remuneration paid (in ₹ million)
Chandrakant Gupta	0.18
Sandipkumar Gupta	0.32
Ramachandran Sivathanu	0.25
Ankit Paleja	0.15
Sudha Navandar	0.20

### Remuneration paid or payable from our Subsidiaries

Below are the details of remuneration paid to our Directors by our Subsidiaries during Fiscal 2019:

Name of the Subsidiary	Name of the Director	Remuneration paid
Route Mobile (UK) Limited	Sandipkumar Gupta	GBP 8,160.00
	Rajdipkumar Gupta	GBP 8,160.00
RouteSms Solutions FZE	Sandipkumar Gupta	AED 882,000.00

### Shareholding of our Directors in our Company

As per the Articles of Association of our Company, our Directors are not required to hold qualification shares.

The following table sets forth details of shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus:

Name of the Director	No. of Equity Shares (pre-Offer)	Percentage (%)
Chandrakant Gupta	2,300,000	4.60
Sandipkumar Gupta	14,400,000	28.80
Rajdipkumar Gupta	14,400,000	28.80
<b>Total</b>	<b>31,100,000</b>	<b>60.20</b>

### Shareholding of our Directors in our Subsidiaries

For details of our Directors who hold equity shares in our Subsidiaries, see “Our Subsidiaries - Shareholding of our Directors in our Subsidiaries” on page 149.

## **Confirmations**

None of our Directors are or were directors of any listed company, whose shares have been or were suspended from being traded on any of the stock exchanges, during the last five years prior to the date of this Draft Red Herring Prospectus, during the tenure of his/her directorship in such company.

None of our Directors are or were directors of any listed companies which have been or were delisted from any stock exchange during the tenure of his/her directorship in such companies.

None of our Directors have been identified as wilful defaulters, as defined under the SEBI ICDR Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation is pending against them.

None of our Directors have been declared as Fugitive Economic Offenders.

## **Borrowing Powers of our Board**

Pursuant to our Articles of Association, the applicable provisions of the Companies Act, 2013, and resolution passed at our extra – ordinary general meeting dated October 12, 2017, our Board has been authorised to borrow any sum for and on behalf of the Company from time to time, from one or more financial institutions/ banks/ body corporates or from others notwithstanding that the sum borrowed by the Company together with the money/ies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed ₹ 5,000 million.

## **Bonus or profit sharing plan for the Directors**

Our Company does not have a bonus or profit sharing plan for our Directors.

## **Service contracts with Directors**

Our Directors have not entered into any service contracts with our Company which provide for any benefit upon termination of their directorship.

## **Arrangement or understanding with major Shareholders, customers, suppliers or others**

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

## **Interest of our Directors**

Our executive Director may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. Further, our Directors may also be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Subsidiaries and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Director, see “-Remuneration details of our Directors” above.

Further, our Non- executive Directors and Independent Directors are entitled to receive sitting fees for attending each meeting of our Board and Committee, details of which have been provided under the heading “Remuneration details of our Non-executive Directors and Independent Directors” above.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company and Subsidiaries, if any, details of which have been disclosed above under the heading “Shareholding of Directors in our Company” and “Shareholding of Directors in our Subsidiaries” above. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies,

firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer.

Further, our Directors may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, out of the present Offer. Such Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in the section “*Financial Statements - Related Party Transactions*” on page 189, our Directors do not have any other interest in the business of our Company.

### **Interest in the promotion/formation of our Company**

Except for Sandipkumar Gupta and Rajdipkumar Gupta, who are the Promoters of our Company, our Directors have no interest in the promotion of our Company as of the date of this Draft Red Herring Prospectus, except in the ordinary course of business.

### **Interest as to property**

Except as stated in “*Financial Statements*” beginning on page 189, our Directors have no interest in any property acquired or proposed to be acquired of or by our Company as on the date of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of buildings and supply of machinery:

### **Appointment of relatives of our Directors to any office or place of profit**

As on the date of this Draft Red Herring Prospectus, no relatives of any of our Directors have been appointed to a place or office of profit in our Company.

### **Changes in our Company’s Board of Directors during the last three years**

The changes in our Board during the last three years are as follows:

<b>Name of Director</b>	<b>Date of appointment</b>	<b>Date of cessation</b>	<b>Reason</b>
Chamelidevi Gupta	-	November 22, 2017	Resignation
Bhavesh Jain	-	November 22, 2017	Resignation
Pratheek Agarwal	-	November 22, 2017	Resignation
Ramachandran Sivathanu	November 22, 2017	-	Appointment
Ankit Paleja	November 22, 2017	-	Appointment
Sudha Navandar	November 22, 2017	-	Appointment

### **Loans taken by Directors**

Our Company has not granted any loans to the Directors.

### **Corporate Governance**

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon listing of the Equity Shares on the Stock Exchanges.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

### **Committees of our Board**

Our Board has constituted the following Committees in accordance with the requirement of SEBI Listing Regulations and the Companies Act, 2013:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee; and
4. Corporate Social Responsibility Committee.

### **Other committee**

Our Company has also constituted the IPO committee for the Offer.

### **Details of each of these Committees are as follows:**

#### ***Audit Committee***

Our Audit Committee was constituted pursuant to resolution of our Board dated September 30, 2015 and pursuant to a resolution dated November 22, 2017 passed by the Directors of our Company, our Audit Committee was reconstituted. The terms of reference for the Audit Committee was amended pursuant to resolution dated January 11, 2019. Our Audit Committee comprises of the following members:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Sudha Navandar	Chairperson	Independent Director
Ramachandran Sivathanu	Member	Independent Director
Sandipkumar Gupta	Member	Non – executive Director

#### **A. Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **B. Role of Audit Committee**

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;

- e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval of any subsequent modification of transactions of the company with related parties;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the whistle blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

#### ***Nomination and Remuneration Committee***

Our Nomination and Remuneration Committee was constituted pursuant to resolution of our Board dated September 30, 2015 and pursuant to a resolution dated November 22, 2017 passed by the Directors of our Company, our Nomination and Remuneration Committee was reconstituted. The terms of reference for the Nomination and

Remuneration Committee was amended pursuant to resolution dated January 11, 2019. Our Nomination and Remuneration Committee comprises of the following members:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Ramachandran Sivathanu	Chairman	Independent Director
Sudha Navandar	Member	Independent Director
Sandipkumar Gupta	Member	Non – executive Director

Terms of Reference for the Nomination and Remuneration Committee are as follows:

The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. Devising a policy on Board diversity; and
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Recommend to the board, all remuneration, in whatever form, payable to senior management.
6. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
7. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

Further, the Nomination and Remuneration Committee shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to obtain external professional advice, if necessary.

#### ***Stakeholders Relationship Committee***

Our Stakeholders Relationship Committee was constituted pursuant to resolution of our Board dated November 22, 2017. The terms of reference for the Stakeholders Relationship Committee was amended pursuant to resolution dated January 11, 2019. Our Stakeholders Relationship Committee comprises of the following members:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Ankit Paleja	Chairman	Independent Director
Ramachandran Sivathanu	Member	Independent Director
Rajdipkumar Gupta	Member	Managing Director and Group Chief Executive Officer

Terms of Reference for the Stakeholders Relationship Committee are as follows:

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

### **Corporate Social Responsibility Committee**

Our Corporate Social Responsibility Committee was constituted pursuant to resolution of our Board dated June 16, 2014 and pursuant to a resolution dated November 22, 2017 passed by the Directors of our Company, our Corporate Social Responsibility Committee was reconstituted. Our Corporate Social Responsibility Committee comprises of the following members:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Ankit Paleja	Chairman	Independent Director
Chandrakant Gupta	Member	Non – executive Director
Sandipkumar Gupta	Member	Non – executive Director

The terms of reference of Corporate Social Responsibility Committee shall, *inter-alia*, include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

### **IPO Committee**

The IPO Committee currently comprises:

<b>Name of Director</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Chandrakant Gupta	Chairman	Non – executive Director
Sandipkumar Gupta	Member	Non – executive Director
Rajdipkumar Gupta	Member	Managing Director and Group Chief Executive Officer

Our IPO Committee was constituted by a resolution of our Board dated November 22, 2017. The terms of reference of the IPO Committee of our Company include the following:

- a. to decide with the Selling Shareholder, as applicable, in consultation with the book running lead managers, on the initial public offering size (including any other reservations or firm allotments as may be permitted, green shoe option and/ or any rounding off in the event of any oversubscription), timing, pricing (price band, issue price, including to anchor investors) and all other terms and conditions of the initial public offering, including the price, premium, discount (as permitted under applicable laws) and to make any amendments, modifications, variations or alterations thereto;
- b. to make applications to the stock exchanges for in-principle approval for listing of its equity shares and file such papers and documents, including a copy of the draft red herring prospectus filed with Securities and Exchange Board of India, as may be required for the purpose;

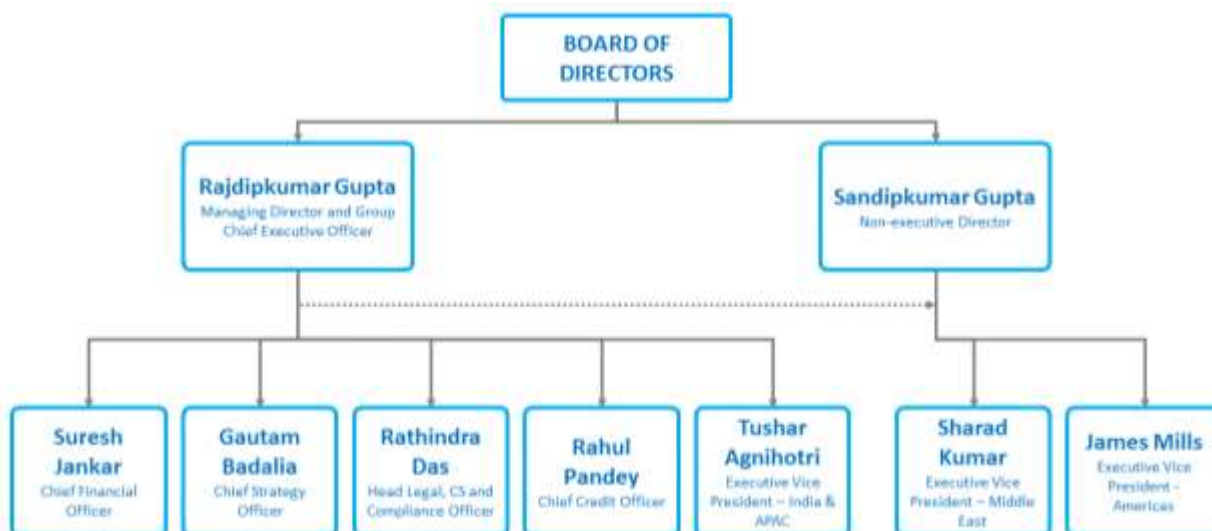
- c. to take all actions as may be necessary or authorized, in connection with the Offer, including taking on record the approval of the offer for sale, extending the bid/offer period, revision of the price band, allow revision of the Offer, in accordance with the applicable laws;
- d. authorisation of any director or directors of our Company or other officer or officers of our Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares;
- e. giving or authorising any concerned person to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- f. to appoint and enter into arrangements with the book running lead managers, underwriters to the initial public offering, syndicate members to the initial public offering, brokers to the initial public offering, advisors to the initial public offering, escrow collection banks to the initial public offering, registrars to the initial public offering, refund banks to the initial public offering, public issue account banks to the initial public offering, monitoring agency, legal counsel, advertising agencies and any other agencies or persons or intermediaries to the initial public offering and to negotiate and finalise the terms of their appointment;
- g. to approve the list of 'group companies' of our Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the draft red herring prospectus, red herring prospectus and the Prospectus;
- h. to make applications to, seek clarifications and obtain approvals from, if necessary, the RBI, the SEBI or any other statutory or governmental authorities in connection with the initial public offering and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus;
- i. to negotiate, finalise, settle, execute and deliver or arrange the delivery of the book running lead managers' mandate or engagement letter(s), the offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever, including any amendment(s) or addenda thereto, including with respect to the payment of commissions, brokerages and fees, with the book running lead managers, registrar to the initial public offering, legal advisors, auditors, Stock Exchanges and any other agencies/intermediaries in connection with the initial public offering with the power to authorise one or more officers of our Company to negotiate, execute and deliver all or any of the aforestated documents;
- j. to open and operate any bank account(s) required of our Company for the purposes of the initial public offering and the pre-initial public offering Placement, including the cash escrow account, the public issue account, as may be required;
- k. deciding the pricing and all other related matters regarding the pre-initial public offering Placement, including the execution of the relevant documents with the investors in consultation with the book running lead managers and in accordance with applicable laws;
- l. approving the draft red herring prospectus, red herring prospectus and the prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) and the preliminary and final international wrap for the initial public offering together with any addenda, corrigenda and supplement thereto as finalised in consultation with the book running lead managers, in accordance with all applicable laws, rules, regulations, notifications, circulars, orders and guidelines and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/modifications as may be required by and to submit undertakings/certificates or provide clarifications to SEBI or any other relevant governmental and statutory authority;



- m. seeking the listing of the Equity Shares on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
- n. to issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more Stock Exchanges, with power to authorise one or more officers of our Company to sign all or any of the aforestated documents;
- o. to make applications for listing of the Equity Shares on the stock exchange for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the stock exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
- p. accept and appropriate proceeds of the Fresh Issue in accordance with the applicable laws;
- q. to do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of our Company to execute all or any of the aforestated documents;
- r. to authorise and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the initial public offering;
- s. to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in consultation with the book running lead managers, deem necessary or desirable for the initial public offering, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalizing the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws;
- t. to take such action, give such directions, as may be necessary or desirable as regards the initial public offering and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the initial public offering, as are in the best interests of our Company; and
- u. to delegate any of the powers mentioned in (a) to (t) to such persons as the IPO Committee may deem necessary.

### **Management Organization Structure**

Set forth is the organization structure of our Company



### Our Key Managerial Personnel

In addition to Rajdipkumar Gupta, Managing Director and Group Chief Executive Officer, whose details have been provided under the paragraph “*Brief profile of our Directors*”, the details of our other Key Managerial Personnel, are as follows:

**Gautam Badalia**, aged 38 years, is the Chief Strategy Officer of our Company. He holds a bachelor’s degree in economics from Kolkata University and a master’s degree in business administration (finance) from ICFAI University. He has 12 years of experience in investment banking, mergers and acquisitions and structured finance. Prior to joining our Company, he has worked with YES Securities (India) Limited. He is responsible for development and execution of strategic initiatives to support long term growth of our Company and enhance shareholders value. He was appointed on May 10, 2017 and received a gross remuneration of ₹ 6.00 million in Fiscal 2019.

**James Mills**, aged 49 years, is the Executive Vice President - Americas. He holds a bachelor’s degree of arts (government and politics) from George Mason University, Virginia. He has experience in telecommunications sector. He is responsible for building sales in the US and Latin market. Prior to joining our Company, he has worked with Syniverse, Sybase and Inphomatch. He was appointed on July 17, 2017 as Chief Executive Officer – US and Latin America of Route Mobile Inc and subsequently appointed as the Executive Vice President – Americas with effect August 1, 2019. He received a gross remuneration of USD 0.31 million in Fiscal 2019.

**Rathindra Das**, aged 37 years, is the Head Legal, Company Secretary and Compliance Officer of our Company. He holds a bachelor’s degree in commerce and a bachelor’s degree in law from Assam University. He is a member of the Institute of Company Secretary of India. He has over 8 years of experience in compliance and secretarial matters. Prior to joining our Company, he has worked with Piramal Roads Infra Private Limited, Cipla Limited, NSEIT Limited, Metropolitan Stock Exchange of India Limited, Hinduja Energy (India) Limited, Peninsula Land Limited, Reliance Infrastructure Limited and Neterwala Consulting and Corporate Services Limited. He is responsible for secretarial matters and ensuring compliance with various regulatory requirements applicable to our Company. He joined our Company on November 12, 2018 and was appointed as the Head Legal Company Secretary and Compliance Officer of our Company with effect from August 1, 2019. He has received a gross remuneration of ₹ 1.06 million in Fiscal 2019.

**Rahul Pandey**, aged 43 years is the Chief Credit Officer of our Company. He holds a bachelor’s degree in science from Mumbai University. He has 15 years of experience in telecommunications industry. Prior to joining our Company, he has worked with DuFlon Polymers Private Limited. He is responsible for coordinating the debts of existing creditors and deciding whether to allow credit to a debtor and overall managing all money borrowed or owed to the business. He joined our Company on February 10, 2005 and received a gross remuneration of ₹ 3.17 million in Fiscal 2019.

**Sharad Kumar**, aged 42 years, is the Executive Vice President – Middle East. He holds a bachelor's degree in engineering (electronics and telecommunications) from University of Mumbai and a post graduate certificate in business management from XLRI, Jamshedpur. He has over 17 years of experience in the telecom sector. Prior to joining, he has worked with Bharti Airtel Limited, Reliance Communications Limited and United Nations. He is responsible for building up Middle East and operations and expanding further into Africa market. He joined Route Mobile LLC on September 19, 2016 and was appointed as the the Executive Vice President – Middle East with effect from August 1, 2019. He received a gross remuneration of 0.54 million AED in Fiscal 2019.

**Suresh Jankar**, aged 44 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from University of Pune and is qualified chartered accountant from the Institute of Chartered Accounts of India. He has 9 years of experience in finance sector. Prior to joining our Company, he has worked with the Capricorn Lifestyle Private Limited. He leads the finance and accounts team and is responsible for activities pertaining to the accounts of our Company in India. He was appointed as the Chief Financial Officer of our Company with effect from November 7, 2017 and received a gross remuneration of ₹ 5.03 million in Fiscal 2019.

**Tushar Agnihotri**, aged 48 years, is the Executive Vice President – India and APAC. He holds a master's degree in business management from Bundelkhand University. He has 23 years of overall work experience, with over 16 years of experience in the telecom sector. Prior to joining our Company, he has worked with Reliance Jio Infocomm Ltd., Tata Teleservices (Maharashtra) Limited, Reliance Infocom Limited, Arvind Mills Limited, Kodak India Ltd. & Blow Plast Ltd. He is responsible for driving sales and operations for the India market. He joined our Company on September 19, 2016 received a gross remuneration of ₹ 7.31 million in Fiscal 2019.

All the above Key Managerial Personnel are permanent employees of our Company or our Subsidiaries.

#### **Nature of family relationship between Key Managerial Personnel**

Except as stated below, none of our Key managerial Personnel are related to each other or to any of our Promoters or Directors.

<b>Names of the Director/Key Managerial Personnel</b>	<b>Nature of Relationship</b>
Chandrakant Gupta and Rajdipkumar Gupta	Father and Son
Rajdipkumar Gupta and Sandipkumar Gupta	Brothers

#### **Contingent and deferred compensation payable to Key Managerial Personnel**

With respect to our Key Management Personnel, there is no contingent or deferred payment accrued for Fiscal 2019, except for the commission to be paid to the Key Managerial Personnel.

#### **Shareholding of the Key Managerial Personnel**

For details of shareholding of our Key Managerial Personnel in our Company, please see “*Capital Structure – Shareholding of our Directors and/or Key Managerial Personnel*” on page 71.

#### **Interest of our Key Managerial Personnel in our Company**

Except as disclosed above in relation to our Directors under “– *Interest of Directors*” on page 163, none of our Key Managerial Personnel have any interest in our Company and Subsidiaries, as the case may be, except as disclosed in this Draft Red Herring Prospectus and to the extent of their, remuneration, benefits and reimbursement of expenses incurred by them in the ordinary course of business, which they receive from our Company or our Subsidiaries, their shareholding in our Company and our Subsidiary, if any, loans availed from our Company and our Subsidiaries, if any.

Our Key Managerial Personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Offer. Such Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

### Changes in our Key Managerial Personnel during the last three years

Below are the details of changes in our Key Managerial Personnel during the last three years:

Name	Designation	Date of appointment	of	Date of cessation/ change in designation	Reason
Pratik Joshi	Chief Financial Officer	-		November 7, 2017	Change in Designation
Gaurav Jhunjhunwala	Company Secretary	-		November 7, 2017	Resignation from the Company Secretary
Gautam Badalia	Chief Strategy Officer	May 10, 2017		-	Appointment
James Mills	Chief Executive Officer – US and Latin America of Route Mobile Inc	July 17, 2017		July 30, 2019	Appointment and Change in Designation
Derek Tan Beng Heng	Chief Executive Officer - APAC	April 1, 2017		March 4, 2019	Appointment and Resignation
Athanasia Skoulakariti	Senior Vice President - Global Voice & IOT	July 3, 2017		August 14, 2018	Appointment and Resignation
Pratik Joshi	Company Secretary	November 7, 2017		January 10, 2019	Appointment and Resignation from the Company Secretary
Suresh Jankar	Chief Financial Officer	November 7, 2017		-	Appointment
Rathindra Das	Company Secretary and Compliance Officer	January 11, 2019		July 30, 2019	Appointment and Change in Designation
Rathindra Das	Head Legal, Company Secretary and Compliance Officer	August 1, 2019		-	Change in Designation
James Mills	Executive Vice President - America	August 1, 2019		-	Change in Designation
Sharad Kumar	Chief Executive Officer – Route Mobile LLC	-		July 30, 2019	Change in Designation
Sharad Kumar	Executive Vice President – Middle East	August 1, 2019		-	Change in Designation
Tushar Agnihotri	Chief Executive Officer - India	-		July 30, 2019	Change in Designation
Tushar Agnihotri	Executive Vice President – India and APAC	August 1, 2019		-	Change in Designation

### Bonus or Profit Sharing Plan for our Key Managerial Personnel

Our Company does not have a bonus or profit sharing plan for any of our Key Managerial Personnel

**Loans to Key Managerial Personnel**

Our Company has not granted any loans to the Key Managerial Personnel which is outstanding as on July 31, 2019.

**Service Contracts with Key Managerial Personnel**

Except for terms set forth in the appointment letters of each of the above Key Managerial Personnel, our Company or Subsidiaries have not entered into any other contractual arrangements with any of our Key Managerial Personnel.

**Payment of non-salary related benefits to officers of our Company**

Except as stated in this section, no amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

**Attrition rate of Key Managerial Personnel**

The attrition rate of our Key Managerial Personnel is not high compared to the industry in which our Company operates.

**Employees Stock Options**

Our Company has also adopted an employee stock option plan. For details of the ESOP 2017 and the stock options held by our Key Managerial Personnel that may be granted to them from time to time under ESOP 2017, see “*Capital Structure-Employee Stock Option Scheme*” on page 71.

**Arrangements and understanding with major shareholders, customers, suppliers or others**

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are:

1. Sandipkumar Gupta; and
2. Rajdipkumar Gupta.

As on date of this Draft Red Herring Prospectus, Sandipkumar Gupta holds 14,400,000 Equity Shares, representing 28.80% of the pre-Offer issued, subscribed and paid-up Equity Share Capital of our Company, and Rajdipkumar Gupta holds 14,400,000 Equity Shares, representing 28.80% of the pre – Offer issued, subscribed and paid – up Equity Share Capital of our Company.

The details of our Promoters are:



#### **Sandipkumar Gupta**

Sandipkumar Gupta, aged 45 years, is the Non – executive Director of our Company. For further details, see “*Our Management*” on page 163.

His driving license number is MH 02 2006 C28667. His permanent account number is AEBPG7413A. His aadhaar card number is 714080321991.



#### **Rajdipkumar Gupta**

Rajdipkumar Gupta, aged 44 years, is the Managing Director and Group Chief Executive Officer of our Company. For further details, see “*Our Management*” on page 163.

His driving license number was MH02-99 37373\*. His permanent account number is AEBPG7417E. His aadhaar card number is 940488748938.

*\*Expired on July 21, 2019 and pending for renewal.*

Our Company confirms that the permanent account numbers, bank account number(s) and the passport number of each of our Promoter shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

### Changes in the management and control of our Company

There has been no change in the management or control of our Company in five years immediately preceding the date of this Draft Red Herring Prospectus.

### Disassociation by Promoters in the last three years

Except as provided below, our Promoters have not disassociated themselves from any venture during the three years preceding the date of filing of this Draft Red Herring Prospectus:

Date of disassociation	Name of the venture	Particulars
October 5, 2017	Graphixide Services Private Limited	Ceased due to sale of shares.

### Interest of our Promoters

### *Interest of Promoters in the promotion of our Company*

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings and directorships in our Company, Subsidiaries and Group Companies and the dividend declared and due, if any, and employment related benefits paid by our Company, Subsidiaries and Group Companies. Further, our Promoters are also interested to the extent of shareholding of their relatives in our Company and Group Companies. For further details, see “*Capital Structure*” and “*Our Management*” on pages 71 and 163, respectively.

### *Interest of Promoters in our Company other than as Promoters*

As on the date of this Draft red Herring Prospectus, our Promoters, Sandipkumar Gupta and Rajdipkumar Gupta have issued personal guarantees for bank guarantee (Performance/Financial) availed by our Company, amounting to ₹ 346.40 million.

Except as stated in this section and the sections titled “*Our Management*” and “*Financial Statements - Related Party Transactions*” on pages 163 and 189, respectively, our Promoters do not have any interest in our Company other than as promoters.

### *Interest of Promoters in the property of our Company*

Except as stated in “*Financial Statements*” beginning on page 189, our Promoters do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus or in any transaction for acquisition of land, construction of buildings and/or supply of machinery, etc.

### **Payment of amounts or benefits to our Promoters or Promoter Group during the last two years**

Except as disclosed in the sub-section “– *Interest of Promoters*” mentioned above, no amount or benefit has been paid or given or intended to be paid or given by our Company to our Promoters or members of our Promoter Group in the two years preceding the date of this Draft Red Herring Prospectus.

### **Guarantees**

Except as stated in the sections “*History and Certain Corporate Matters - Details of guarantees given to third parties by our Promoters, offering their shares in the Offer for Sale*” and “*Financial Statements - Related Party Transactions*” on pages 142 and 189, respectively, our Promoters have not given any guarantee to a third party as on the date of this Draft Red Herring Prospectus.

### **Related party transactions**

Except as stated in the section titled “*Financial Statements*” on page 189, our Company has not entered into any related party transactions with our Promoters, during the last three Fiscal Years.

### **Confirmations**

Our Company has not made any payments in cash or otherwise to our Promoters or to the firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

Further, none of our sundry debtors are related to our Promoters in any manner.

### **Our Promoter Group**

(a) *Individuals forming part of the Promoter Group*

The natural persons who are part of our Promoter Group (being the immediate relatives of our Promoters) are as follows:

<b>Relationship with the Promoters</b>	<b>Sandipkumar Gupta</b>	<b>Rajdipkumar Gupta</b>
Father	Chandrakant Gupta	Chandrakant Gupta
Mother	Chamelidevi Gupta	Chamelidevi Gupta
Brother	Rajdipkumar Gupta	Sandipkumar Gupta
Sister	-	-
Spouse	Sunita Gupta	Sarika Gupta
Daughter	Tanvi Gupta	Anushka Gupta
		Ahana Gupta
		Anaya Gupta
Son	Rohan Gupta	-
Spouse's Father	Mulchand Jaiswal	Subhashchandra Jaiswal
Spouse's Mother	Savitridevi Jaiswal	Krishna Jaiswal
Spouse's Brother	Deepak kumar Jaiswal	Sandeep Kumar Jaiswal
	Ashish Kumar Jaiswal	
Spouse's Sister	Sangeeta Jaiswal	Sonam Jaiswal
		Poonam Jaiswal

*(b) Entities forming part of the Promoter Group*

The companies and entities that form part of our Promoter Group are as follows:

<b>Sr. No.</b>	<b>Name of the Promoter Group Entities</b>
<b><i>Companies</i></b>	
1.	29 Three Holidays Private Limited
2.	SanRaj Family Ventures Private Limited
3.	Cobx Gaming Private Limited
4.	Zon Hotels Private Limited
5.	Spectra Teleservices Private Limited
6.	Horizon Sports India Private Limited
<b><i>Partnership</i></b>	
7.	Ahana Hospitality LLP
<b><i>Proprietorship Firm</i></b>	
8.	Spectrum Technologies
<b><i>HUFs</i></b>	
9.	Chandrakant Gupta HUF
10.	Sandipkumar Gupta HUF
11.	Rajdipkumar Gupta HUF
<b><i>Trust</i></b>	
12.	CC Gupta Family Trust

**Shareholding of the Promoter Group in our Company**

For details in relation to the shareholding of our Promoters and Promoter Group as on the date of this Draft Red Herring Prospectus, see “*Capital Structure –Shareholding of our Promoter and other members of our Promoter Group*” on page 71.

**Other Confirmations**

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any



other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Our Promoters and members of our Promoter Group have not been declared as wilful defaulters as defined under the SEBI ICDR Regulations.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters have not been declared as Fugitive Economic Offenders.

## OUR GROUP COMPANIES

Pursuant to resolution dated September 12, 2019, our Board has noted that in accordance with the SEBI ICDR Regulations, ‘group companies’ shall include (i) such companies (other than Promoter(s) and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Information and (ii) such companies shall be considered material and disclosed as group companies which are members of the promoter group and with which there were related party transactions as disclosed in the Restated Financial Information which, individually or in the aggregate, exceed 10% of the total restated consolidated revenue of our Company for Fiscal 2019 in the Restated Financial Information.

Further, we have submitted an exemption application dated September 30, 2019 with SEBI seeking an exemption from identifying Graphixide Services Private Limited as the ‘group companies’ of our Company, as our Promoters have disassociated with Graphixide Services Private Limited with effect from October 5, 2017 and our Promoters, Directors and Key Managerial Personnel are not connected with such company in any manner.

Pursuant to the aforesaid resolution, our Board has approved that other than companies with which there were related party transactions as disclosed in the Restated Financial Information, there are no group companies.

For avoidance of doubt, it is clarified that the subsidiaries of our Company shall not be considered as ‘group companies’ of our Company.

Accordingly, based on the foregoing, following are the group companies of our Company (“**Group Companies**”):

1. Zon Hotels Private Limited;
2. 29 Three Holidays Private Limited; and
3. Cobx Gaming Private Limited.

Set forth below are the details of our Group Companies.

### **1. Zon Hotels Private Limited (Erstwhile known as “Shrem Resort Private Limited”) (“Zon Hotels”)**

#### *Corporate Information*

Zon Hotels was incorporated as “*Shrem Resort Private Limited*”, a private limited company under the Companies Act, 1956, pursuant to certificate of incorporation issued by Registrar of Companies, Maharashtra at Mumbai on August 11, 2010. Pursuant to a shareholders’ resolution dated August 13, 2019, the name was changed to Zon Hotels Private Limited and a fresh certificate of incorporation was issued by RoC on August 22, 2019. Zon Hotels is engaged in the business of hotels, holiday homes, resorts, motels, boarding and lodging. Pursuant to a share purchase agreement dated September 6, 2017, Sandipkumar Gupta and Rajdipkumar Gupta acquired 12,500,500 equity shares each of Zon Hotels.

The CIN of Zon Hotels is U70102MH2010PTC206477.

#### *Interest of our Promoters*

Name of the Promoter	No. of equity shares	% of shareholding
Sandipkumar Gupta	12,500,500	14.71
Rajdipkumar Gupta	12,500,500	14.71

Further, 51.01% of paid up equity shares of Zon Hotels is held by Sanraj Family Ventures Private Limited in which Sandipkumar Gupta and Rajdipkumar Gupta holds 21.43% paid up equity shares each.

#### *Financial Information*

Set forth below is the financial information of Zon Hotels based on its audited financial statements for the last three Fiscal Years:

<i>(in ₹, except for per share data)</i>			
<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Equity Capital	850,000,000	850,000,000	850,000,000
Reserves and Surplus (excluding revaluation reserves)	(544,012,093)	(445,499,686)	(153,027,478)
Total revenue	727,254,023	701,265,717	731,402,970
Profit (Loss) after Tax	(98,512,407)	(292,472,208)	1,612,587
Basic EPS	(1.16)	(3.44)	0.02
Diluted EPS	(1.16)	(3.44)	0.02
Net Asset Value per equity share	3.60	4.76	8.20

There are no significant notes of the auditors in relation to the aforementioned financial statements.

## **2. 29 Three Holidays Private Limited (“29 THPL”)**

### *Corporate Information*

29 THPL is a private limited company and was incorporated on April 11, 2012, under the Companies Act, 1956, with the Registrar of Companies, Maharashtra at Mumbai. 29 THPL is engaged in the business of tours and travels activities.

The CIN of 29 THPL is U74120MH2012PTC229461.

### *Interest of our Promoters*

<b>Name of the Promoter</b>	<b>No. of equity shares</b>	<b>% of shareholding</b>
Sandipkumar Gupta	475,000	47.50
Rajdipkumar Gupta	355,000	35.50

Other than as disclosed hereinabove, our Promoters are also the directors on the board of 29 THPL and may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to them.

### *Financial Information*

Set forth below is the financial information of 29 THPL based on its audited financial statements for the last three Fiscal Years:

<i>(in ₹, except for per share data)</i>			
<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Equity Capital	10,000,000	10,000,000	10,000,000
Reserves and Surplus (excluding revaluation reserves)	(5,657,532)	(7,834,898)	(10,402,195)
Total revenue	33,244,465	38,287,013	68,219,838
Profit (Loss) after Tax	2,177,365	25,67,298	(1,434,086)
Basic EPS	2.18	2.57	(1.43)
Diluted EPS	2.18	2.57	(1.43)
Net Asset Value per equity share	4.34	2.17	(0.40)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

## **3. Cobx Gaming Private Limited (“CGPL”)**

### *Corporate Information*

CGPL is a private limited company and was incorporated on March 9, 2017, under the Companies Act, 2013, with the Registrar of Companies, Maharashtra at Mumbai. CGPL is engaged in the business of production, development, import, export and marketing of games.

The CIN of CGPL U74999MH2017PTC292239.

#### *Interest of our Promoters*

<b>Name of the Promoter</b>	<b>No. of equity shares</b>	<b>% of shareholding</b>
Sandipkumar Gupta	50,000	50
Rajdipkumar Gupta	50,000	50

Other than as disclosed hereinabove, our Promoters are also the directors on the board of CGPL and may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to them.

#### *Financial Information*

Set forth below is the financial information of CGPL based on its audited financial statements for the last two Fiscal years:

<b>Particulars</b>	<i>(In ₹, except for per share data)</i>	
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Equity Capital	1,000,000	1,000,000
Reserves and Surplus (excluding revaluation reserves)	(30,371,265)	(10,303,079)
Total revenue	0	1,286,499
Profit (Loss) after Tax	(20,068,187)	(10,303,079)
Basic EPS	(200.68)	(103.03)
Diluted EPS	(200.68)	(103.03)
Net Asset Value per equity share	(293.71)	(93.03)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

#### **Loss making Group Companies:**

The following tables set forth the details of our Group Companies which have incurred loss in the last Financial Year and profit/(loss) made by them in the last three Financial Years:

<b>S. No</b>	<b>Name of the entity</b>	<b>Profit/(Loss) (Amount in ₹)</b>		
		<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
1.	Zon Hotels Private Limited	(98,512,407)	(292,472,208)	1,612,587
2.	29 Three Holidays Private Limited	2,177,365	25,67,298	(1,434,086)
3.	Cobx Gaming Private Limited	(20,068,187)	(10,303,079)	-

#### **Interest of Group Companies in our Company**

##### *(a) Business interests*

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

##### *(b) In the properties acquired or proposed to be acquired by our Company in the past two years preceding the filing of this Draft Red Herring Prospectus with SEBI*

None of our Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus with SEBI.

*(c) In transactions for acquisition of land, construction of building and supply of machinery*

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

**Common Pursuits amongst the Group Companies with our Company**

There are no common pursuits between any of our Group Companies and our Company.

**Related business transactions with our Group Companies and significance on the financial performance of our Company**

For further information, see “*Financial Statements - Related Party Transactions*” on page 189.

**Sale / purchase between our Group Companies and our Company**

Our Group Companies are not involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate 10.00% of the total sales or purchases of our Company.

**Litigation involving Group Companies**

For further information, see “*Outstanding Litigation and Material Developments*” on page 348

**Defunct Group Companies**

None of our Group Companies are defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Draft Red Herring Prospectus.

**Sick Group Companies**

None of our Group Companies are sick industrial companies under the erstwhile SICA, nor have they been declared insolvent or bankrupt under the Insolvency and Bankruptcy Code, 2016. Further, no winding up proceedings or insolvency or bankruptcy proceedings have been initiated against them.

**Other confirmations**

None of our Group Companies are listed on any stock exchange and they have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in preceding three years.

Further, none of our Group Companies have been debarred from accessing the capital market for any reasons by SEBI or any other authorities nor have been identified as wilful defaulters.

Further, neither have any of the securities of our Company or any our Group Companies been refused listing by any stock exchange in India or abroad, nor has our Company or any of our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad.

## DIVIDEND POLICY

Our Board has adopted a dividend policy in its meeting held on September 30, 2019 (“**Dividend Policy**”). In accordance with the Dividend Policy and the Companies Act, dividend, if any, shall be declared out of the current year’s profit or out of the profits for any previous year or years or out of the free reserves available for distribution of dividend, after having due regard to a number of factors, including but not limited to capital requirements, applicable legal restrictions, and overall financial position of our Company or as laid down in the Dividend Policy and as per the provisions of Companies Act. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The Board may choose to declare one or more interim dividends in a financial year to be approved by the Shareholders of our Company at the ensuing general meeting.

The dividends declared by our Company on the Equity Shares in each of the financial years ending March 31 2017, 2018 and 2019 as per our Restated Financial Statements are given below:

Particulars	As at and for the year ended March 31,		
	2019	2018	2017
Number of equity shares (in million)	50.00	50.00	50.00
Face value per share (₹)	10.00	10.00	10.00
<b>Dividend on equity shares</b>			
Final Dividend Rate	15%	15%	-
Interim Dividend Rate	-	-	-
Final Dividend (in ₹ million)	75.00	75.00	-
Interim Dividend (in ₹ million)	-	-	-
Tax on dividend including surcharge (in ₹ million)	15.42	_*	-

*\* For the year ended March 31, 2017, the Board of Directors of our Company at its meeting held on September 04, 2017 had recommended final dividend of ₹ 75.00 million (₹ 1.5 per equity share) which was approved by the shareholders in the Annual General Meeting of the Company held on September 22, 2017. The final dividend was declared and paid during the year ended March 31, 2018. During the financial year 2016-17, the Company had received dividend from its foreign subsidiary, RouteSMS Solutions (FZE) (“**RSMS Dubai**”) amounting to ₹ 355.40 million. Tax on such dividend received, was paid by the Company u/s 115BBD of the Income tax Act, 1961. While computing the amount of dividend liable to payment of Dividend Distribution Tax (DDT) u/s 115-O, based on Section 115-O(1A)(i)(b) of the Income tax Act, 1961, the additional income-tax to be charged will be based on the amount of dividend to be declared by the Company as reduced by the amount of dividend, if any, received from a foreign subsidiary company and tax on such balance dividend is payable by the domestic company u/s 115BBD. As tax u/s 115BBD was paid by the Company on the dividend received and such dividend received is greater than the amount of dividend declared, no dividend distribution tax is payable on the dividend declared and paid by the Company during the year ended March 31, 2018.*

Our Company has not declared any dividends for the period between April 1, 2019 and the date of filing this Draft Red Herring Prospectus.

Our past practices with respect to the declaration of dividends are not necessarily indicative of our future dividend declaration. For details in relation to the risks involved, see “*Risk Factors*” on page 23.

**SECTION V: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

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## **INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION**

The Board of Directors  
Route Mobile Limited  
(Formerly known as 'Routesms Solutions Limited')  
4<sup>th</sup> Dimension, 3<sup>rd</sup> Floor,  
Mind Space, Malad (West),  
Mumbai, Maharashtra 400 064

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of Route Mobile Limited (Formerly known as 'Routesms Solutions Limited') (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") and its associate, comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2019, 2018 and 2017, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended March 31, 2019, 2018 and 2017, the Summary Statement of Significant Accounting Policies, read together with the annexures and notes thereto (collectively, the "Restated Consolidated Financial Information"), as approved by the board of directors of the Company ("Board of Directors") at their meeting held on September 30, 2019 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO") prepared in terms of the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");



- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
- 2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India in connection with the IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 1(b) of Annexure V to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group and of its associate responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group and its associate complies with the Act, ICDR Regulations and the Guidance Note.
- 3. We have examined such Restated Consolidated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 23, 2019 in connection with the IPO of equity shares of the Company;
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
- 4. These Restated Consolidated Financial Information have been compiled by the management from:
  - a. Audited Consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2019, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on June 10, 2019
  - b. Audited Consolidated Ind AS financial statements of the Group and its associate as at and for the year ended March 31, 2018, prepared in accordance

with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 15, 2018.

- c. Audited Consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2017, prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply in all material respects with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on 5 September 2017, and which form the basis of restatement of the comparative period. These audited consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2017 have been converted into Ind AS to align accounting policies, exemptions and disclosures as adopted for the preparation of the first Ind AS financial statements of the Company for the year ended 31 March 2018 and form the comparative period of the said first Ind AS financial statements of the Company.
5. For the purpose of our examination, we have relied on:
- a. Auditors’ report issued by us dated June 12, 2019 on the consolidated financial statements of the Group as at and for the year ended March 31, 2019 as referred in Paragraph [4] above;
  - b. Auditors’ report issued by us dated September 15, 2018 on the consolidated financial statements of the Group and its associate as at and for the year ended March 31, 2018 as referred in Paragraph [4] above; and
  - c. Auditors’ report issued jointly by us and Ramanand & Associates dated September 5, 2017 on the consolidated financial statements of the Group and its associate as at and for the year ended 31 March 2017 as referred in Paragraph [4] above.
6. The audit reports on the consolidated financial statements issued by us includes following emphasis of matters paragraph on the consolidated financial statements as at and for the years ended March 31, 2019 and 2018:

#### **Financial year 2018-19**

#### **Emphasis of Matters**

- i. We draw attention to Note 45(A)(i) of the accompanying consolidated financial statements wherein it is stated that the Holding Company has received a demand notice for service tax liability aggregating to ₹250.03 million (excluding interest and penalty) for the period from

October 2011 to March 2016 and show-cause cum demand notice for service tax liability aggregating to ₹25.47 million (excluding interest and penalty) for the period from April 2016 to June 2017, under the provisions of the Finance Act, 1994. Based on the legal opinion obtained, the management is of the view that the outcome of the appeal filed with relevant appellate authorities in respect of aforementioned disputed dues will be in the favour of the Holding Company, and accordingly, no provision for liability has been recognised in the accompanying consolidated financial statements. Our opinion is not modified in respect of this matter.

- ii. We draw attention to the matter stated in Note 45(A)(iii) to the accompanying consolidated financial statements which indicates delays in receipt and payment of foreign currency receivables and payables from/to subsidiaries aggregating to ₹68.20 million and ₹133.38 million respectively as on 31 March 2019 beyond the timelines stipulated vide FED Master Direction No.16/2015-16 and FED Master Direction No. 17/2016-17 respectively, under the Foreign Exchange Management Act, 1999. The management of the Holding Company has filed necessary applications for condonation of delays and regularising the defaults with the appropriate authorities. The management of the Holding Company is of the view that the fine/penalties, if any, are currently unascertainable and accordingly, no provision has been recognised in the accompanying consolidated financial statements with respect to such fine/penalty. Our opinion is not modified in respect of this matter.

#### **Financial year 2017-18**

#### **Emphasis of Matter**

- i. We draw attention to Note 48(i) of the accompanying consolidated financial statements wherein it is stated that the Holding Company has received a demand notice for service tax liability under the provisions of the Finance Act, 1994 aggregating to ₹250.03 million (excluding interest and penalty) for the period from October 2011 to March 2016. Based on the legal opinion obtained, the management is of the view that the outcome of the appeal being filed with relevant appellate authorities in respect of aforementioned disputed dues will be in the favour of the Holding Company, and accordingly, no provision for liability has been recognised in the accompanying consolidated financial statements. Our opinion is not modified in respect of this matter.

#### **7. As indicated in our audit reports referred above:**

- a. we did not audit financial statements of certain subsidiaries included in the Group whose share of total assets, total revenues and net cash inflows / (outflows) included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors, as set out in Appendix A and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors:

(₹in million)

Particulars	As at and for the year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
Total assets	1,870.04	3,441.52	498.46
Revenue from operations	2,488.88	2,908.32	1,590.66
Net cash inflows / (outflows)	(7.02)	(147.17)	204.89

- b. We did not audit the financial information of three subsidiaries as set out in Appendix B, for the year ended March 31, 2019 whose financial information reflect total assets of ₹ 36.30 million, total revenue of ₹ 210.10 million and net cash outflows aggregating to ₹ 36.52 million. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it related to the amounts and disclosures included in respect of these subsidiaries are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.
8. Based on our examination and according to the information and explanations given to us , we report that the Restated Consolidated Financial Information:
- a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2018 and 2017 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2019;
- b. do not require any adjustments for the emphasis of matters as mentioned in paragraph 6 above; and
- c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph [4] above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiok & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Bharat Shetty  
Partner  
Membership No.: 106815

UDIN No.: 19106815AAAACL9685

Place: Mumbai  
Date: 30 September 2019

## Appendix A

### List of Subsidiaries audited by other auditors

<b>Year ended March 31, 2019</b>	<b>Relation</b>	<b>Name of Auditors</b>
Sphere Edge Consulting (India) Private Limited	Subsidiary	Ramanand & Associates
Start Corp India Private Limited	Subsidiary	P.D Saraf & Co.
Cellent Technologies (India) Private Limited	Subsidiary	Bhuta buch & Associates
Route Connect Private Limited	Subsidiary	Ramanand & Associates
Call2Connect India Private Limited	Subsidiary	Ramanand & Associates
Route Mobile Hong Kong Limited	Fellow Subsidiary	JTBC CPA Limited
Route connect (Kenya) Limited	Fellow Subsidiary	OBC Clement & Associates
Route Mobile (Bangladesh) Limited	Fellow Subsidiary	Khan Akber & Co
Route Mobile (Nepal) Private Limited	Fellow Subsidiary	M.G.S & Associates
Route Mobile Lanka (Private) Limited	Fellow Subsidiary	Thangavelu & Co
Route Mobile (Uganda) Limited	Fellow Subsidiary	JRN & Partners
Routesms Solutions Zambia Limited	Fellow Subsidiary	George Mpishi & Associates
Routesms Solutions FZE - Consolidated	Subsidiary	Tamim chartered accountants
Routesms Solutions Nigeria Limited	Subsidiary	Idris Adelabu & co
Route Mobile Pte. Ltd.	Subsidiary	Bestar Assurance PAC

<b>Year ended March 31, 2018</b>	<b>Relation</b>	<b>Name of Auditors</b>
Sphere Edge Consulting (India) Private Limited	Subsidiary	Ramanand & Associates
Start Corp India Private Limited	Subsidiary	P.D Saraf & Co.
Cellent Technologies (India) Private Limited	Subsidiary	Bhuta buch & Associates
Call2Connect India Private Limited	Subsidiary	Ramanand & Associates
Route Mobile (UK) Limited - Consolidated	Subsidiary	Reddy Siddiqui LLP
Routesms Solutions Nigeria Limited	Subsidiary	Idris Adelabu & co
Route Mobile Pte. Ltd.	Subsidiary	Bestar Assurance PAC

<b>Year ended March 31, 2017</b>	<b>Relation</b>	<b>Name of Auditors</b>
Sphere Edge Consulting (India) Private Limited	Subsidiary	Ramanand & Associates
Start Corp India Private Limited	Subsidiary	P.D Saraf & Co.
Cellent Technologies (India) Private Limited	Subsidiary	Bhuta buch & Associates
Route Mobile (UK) Limited - Consolidated	Subsidiary	Reddy Siddiqui LLP
Routesms Solutions Nigeria Limited	Subsidiary	Idris Adelabu & co

**Appendix B****List of unaudited subsidiaries for the year ended March 31, 2019**

<b>Name of the subsidiary</b>	<b>Relation</b>
Route Mobile Malta Limited	Fellow Subsidiary
Route Mobile LTD (Ghana)	Fellow Subsidiary
Route Mobile INC.	Fellow Subsidiary

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**INDEX**

<b>Sr. No</b>	<b>Details of Restated Ind AS Consolidated Financial Information</b>	<b>Annexure Reference</b>
1	Restated Consolidated Statement of Assets and Liabilities	I
2	Restated Consolidated Statement of Profit and Loss	II
3	Restated Consolidated Statement of Cash Flows	III
4	Restated Consolidated Statement of Changes in Equity	IV
5	Statement of Notes to the Restated Ind AS Consolidated Financial Information	V
6	Restated Ind AS Consolidated Statement of Accounting Ratios	VI
7	Restated Ind AS Consolidated Statement of Capitalisation	VII
8	Restated Ind AS Consolidated Statement of Dividend declared	VIII



**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure I : Restated Consolidated Statement of Assets and Liabilities**  
(Amounts in ₹ million, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	Annexure V, note 2	233.96	234.10	171.04
Goodwill	Annexure V, note 3	821.23	831.39	137.66
Other intangible assets	Annexure V, note 4	643.96	755.07	17.95
Intangible assets under development		21.30	-	-
Investment in associate accounted using equity method	Annexure V, note 5	-	-	0.43
Financial assets				
Other financial assets	Annexure V, note 6	47.14	42.72	42.31
Deferred tax assets (net)	Annexure V, note 7	35.04	20.93	10.60
Non-current tax assets (net)	Annexure V, note 8	89.51	57.78	49.87
Other non-current assets	Annexure V, note 9	162.68	95.15	80.33
		<b>2,054.82</b>	<b>2,037.14</b>	<b>510.19</b>
<b>Current assets</b>				
Financial assets				
Investments	Annexure V, note 10	106.66	-	0.04
Trade receivables	Annexure V, note 11	1,447.07	972.92	333.26
Cash and cash equivalents	Annexure V, note 12	294.01	235.14	807.99
Other bank balances	Annexure V, note 13	662.53	790.83	301.37
Other financial assets	Annexure V, note 14	95.82	41.78	21.50
Other current assets	Annexure V, note 15	210.85	155.57	32.20
		<b>2,816.94</b>	<b>2,196.24</b>	<b>1,496.36</b>
<b>Total assets</b>		<b>4,871.76</b>	<b>4,233.38</b>	<b>2,006.55</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	Annexure V, note 16	500.00	500.00	500.00
Other equity	Annexure V, note 17	1,728.24	1,206.77	768.65
<b>Equity attributable to owners of the Holding Company</b>		<b>2,228.24</b>	<b>1,706.77</b>	<b>1,268.65</b>
Non-controlling interests		(18.83)	(6.59)	5.18
<b>Total equity</b>		<b>2,209.41</b>	<b>1,700.18</b>	<b>1,273.83</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings	Annexure V, note 18	45.75	52.44	25.84
Provisions	Annexure V, note 19	15.61	14.22	10.16
Deferred tax liabilities (net)	Annexure V, note 20	0.15	0.47	0.74
Other non-current liabilities	Annexure V, note 21	6.72	4.01	1.60
		<b>68.23</b>	<b>71.14</b>	<b>38.34</b>
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	Annexure V, note 22	731.62	777.74	150.00
Trade payables	Annexure V, note 23			
-Total outstanding dues of micro enterprises and small enterprises		-	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		597.41	561.17	360.23
Other financial liabilities	Annexure V, note 24	1,062.92	1,009.71	46.71
Provisions	Annexure V, note 25	5.75	7.64	6.67
Current tax liabilities (net)	Annexure V, note 26	116.37	37.91	13.62
Other current liabilities	Annexure V, note 27	80.05	67.89	117.15
		<b>2,594.12</b>	<b>2,462.06</b>	<b>694.38</b>
<b>Total equity and liabilities</b>		<b>4,871.76</b>	<b>4,233.38</b>	<b>2,006.55</b>

The above statement should be read with basis of preparation and significant accounting policies as appearing in note 1 of Statement of Notes to the Restated Ind AS Consolidated Financial Information and statement of restatement adjustments, to audited consolidated financial statements, appearing in note 41A of Annexure V of Restated Ind AS Consolidated Financial Information.

As per our examination report of even date attached

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of  
**Route Mobile Limited (Formerly known as Routesms Solutions Limited)**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Chandrakant Gupta**  
Chairman  
(DIN No. 01636981)

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)

**Suresh Jankar**  
Chief Financial Officer

Place : Mumbai  
Date : September 30, 2019

Place : Mumbai  
Date : September 30, 2019

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure II : Restated Consolidated Statement of Profit and Loss**  
(Amounts in ₹ million, unless otherwise stated)

	Note	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<b>Revenue</b>				
Revenue from operations	Annexure V, note 28	8,446.68	5,049.48	4,575.81
Other income	Annexure V, note 29	77.09	45.37	72.51
<b>Total revenue</b>		<b>8,523.77</b>	<b>5,094.85</b>	<b>4,648.32</b>
<b>Expenses</b>				
Purchases of messaging services	Annexure V, note 30	6,670.15	3,407.47	3,253.70
Employee benefits expense	Annexure V, note 31	554.47	504.57	259.64
Finance costs	Annexure V, note 32	113.58	63.33	6.68
Depreciation and amortisation expense	Annexure V, note 33	172.26	124.56	54.16
Other expenses	Annexure V, note 34	358.63	422.71	258.67
<b>Total expenses</b>		<b>7,869.09</b>	<b>4,522.64</b>	<b>3,832.85</b>
<b>Profit before tax</b>		<b>654.68</b>	<b>572.21</b>	<b>815.47</b>
<b>Tax expense</b>	Annexure V, note 35			
Current tax		112.19	109.40	214.69
Deferred tax credit		(14.98)	(10.44)	(6.16)
		<b>97.21</b>	<b>98.96</b>	<b>208.53</b>
<b>Profit for the year</b>		<b>557.47</b>	<b>473.25</b>	<b>606.94</b>
<b>Other comprehensive income</b>	Annexure V, note 36			
(i) (a) Items that will not be reclassified to profit or loss		1.91	0.29	0.97
(b) Tax expense / (benefit) on items that will not be reclassified to profit or loss		(0.56)	(0.08)	(0.34)
(ii) (a) Items that will be reclassified to profit or loss		40.83	27.89	(44.29)
(b) Tax expense / (benefit) on items that will be reclassified to profit or loss		-	-	-
<b>Total other comprehensive income (net of tax)</b>		<b>42.18</b>	<b>28.10</b>	<b>(43.66)</b>
<b>Total comprehensive income for the year</b>		<b>599.65</b>	<b>501.35</b>	<b>563.28</b>
<b>Profit attributable to:</b>				
Owners of the Holding Company		571.61	484.92	607.07
Non-controlling interests		(14.14)	(11.67)	(0.13)
<b>Other comprehensive income attributable to:</b>				
Owners of the Holding Company		40.28	28.20	(43.66)
Non-controlling interests		1.90	(0.10)	-
<b>Total comprehensive income attributable to:</b>				
Owners of the Holding Company		611.89	513.12	563.41
Non-controlling interests		(12.24)	(11.77)	(0.13)
<b>Earnings per equity share</b>	Annexure V, note 51			
Basic and diluted (in ₹)		11.43	9.70	12.14
Face value per share (in ₹)		10.00	10.00	10.00

The above statement should be read with basis of preparation and significant accounting policies as appearing in note 1 of Statement of Notes to the Restated Ind AS Consolidated Financial Information and statement of restatement adjustments, to audited consolidated financial statements, appearing in note 41A of Annexure V of Restated Ind AS Consolidated Financial Information.

As per our examination report of even date attached

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of**  
**Route Mobile Limited (Formerly known as Routesms Solutions Limited)**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Chandrakant Gupta**  
Chairman  
(DIN No. 01636981)

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)

**Suresh Jankar**  
Chief Financial Officer

Place : Mumbai  
Date : September 30, 2019

Place : Mumbai  
Date : September 30, 2019

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure III : Restated Consolidated Statement of Cash Flows**  
(Amounts in ₹ million, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax	654.68	572.21	815.47
Adjustments for :			
Financial asset measured at amortised cost	0.02	0.04	0.19
Depreciation and amortisation expense	172.26	124.56	54.16
Advances and trade receivable written off	3.54	22.86	22.84
Interest income on fixed deposits	(22.91)	(31.13)	(33.77)
Interest on income tax refund	(1.10)	-	-
Provision for doubtful debts and advances	1.91	4.34	1.13
Interest on borrowings from bank	17.11	5.52	0.26
Interest on finance lease obligation	1.86	2.04	0.90
(Profit)/ loss on sale of property, plant and equipment	-	(0.07)	0.93
Interest on delayed payment of income taxes	0.04	0.69	1.75
Interest expenses on financial liability measured at amortised cost	91.20	47.90	-
Other borrowing cost	1.52	2.42	0.11
Unrealised foreign exchange (gain)/loss	1.00	7.20	-
Liabilities no longer payable, written back	(26.66)	(10.03)	(20.47)
Net gain arising on financial assets designated as FVTPL	(6.66)	-	-
Lease equalisation reserve	2.71	2.41	0.82
<b>Operating profit before working capital changes</b>	<b>890.52</b>	<b>750.96</b>	<b>844.32</b>
Adjustments for working capital:			
(Increase) in trade receivables	(489.04)	(482.09)	(73.75)
(Increase) in financial assets and other assets	(187.82)	(176.97)	(41.64)
Increase/(decrease) in trade payables, provisions and other liabilities	80.06	273.25	(1,064.86)
<b>Cash generated from/(used in) operating activities</b>	<b>293.72</b>	<b>365.15</b>	<b>(335.93)</b>
Direct taxes paid (net)	(65.50)	(83.92)	(258.39)
<b>Net cash generated from/(used in) operating activities</b>	<b>228.22</b>	<b>281.23</b>	<b>(594.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for purchase of property, plant and equipment and intangible assets (including intangible assets under development)	(105.44)	(59.49)	(143.36)
Proceeds from fixed deposits matured/(placed)	128.30	(461.22)	123.54
Payment for acquisition of subsidiaries	-	(818.93)	(132.74)
Proceeds from sale of property, plant and equipment	-	1.39	3.61
(Purchase of)/proceeds from sale of current investments	(100.00)	0.04	0.30
Interest received	27.01	36.08	33.21
<b>Net cash (used in) investing activities</b>	<b>(50.13)</b>	<b>(1,302.13)</b>	<b>(115.44)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from non-current borrowings	3.90	39.60	-
Repayment of non-current borrowings (including finance lease obligations)	(8.97)	(10.48)	(5.16)
Proceeds from issue of shares to non controlling interest	-	-	5.31
(Repayment of)/proceeds from current borrowings (net)	(53.69)	520.07	142.41
Interest paid	(20.18)	(9.75)	(1.16)
Dividend paid (including dividend distribution tax)	(90.42)	(75.00)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(169.36)</b>	<b>464.44</b>	<b>141.40</b>
<b>D. Currency fluctuations arising on consolidation</b>	<b>50.14</b>	<b>(20.81)</b>	<b>(42.69)</b>
<b>Net increase/(decrease) in cash and cash equivalents ( A+B+C+D)</b>	<b>58.87</b>	<b>(577.27)</b>	<b>(611.05)</b>
Opening balance of cash and cash equivalents	235.14	807.99	1,417.87
Cash and cash equivalents taken over on acquisition (refer Annexure V note 45)	-	4.42	1.17
<b>Closing balance of cash and cash equivalents</b>	<b>294.01</b>	<b>235.14</b>	<b>807.99</b>

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure III : Restated Consolidated Statement of Cash Flows**

(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	294.01	235.14	807.99
<b>Balances as per consolidated statement of cash flows</b>	<b>294.01</b>	<b>235.14</b>	<b>807.99</b>

**Notes:**

- The Restated Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7, Statement of Cash Flows. Effective April 01, 2017, the Group adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Restated Consolidated Statement of Assets and Liabilities for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the Restated Consolidated Statement of Cash Flows. (Refer Annexure V, note 18 for net debt reconciliation).
- The above statement should be read with basis of preparation and significant accounting policies as appearing in note 1 of Statement of Notes to the Restated Ind AS Consolidated Financial Information and statement of restatement adjustments, to audited consolidated financial statements, appearing in note 41A of Annexure V of Restated Ind AS Consolidated Financial Information.

As per our examination report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of

**Route Mobile Limited (Formerly known as Routesms Solutions Limited)**

**Bharat Shetty**

Partner

Membership No.: 106815

**Chandrakant Gupta**

Chairman

(DIN No. 01636981)

**Sandipkumar Gupta**

Director

(DIN No. 01272932)

**Rajdipkumar Gupta**

Managing Director

(DIN No. 01272947)

**Rathindra Das**

Company Secretary

(Membership No.: A24421)

**Suresh Jankar**

Chief Financial Officer

Place : Mumbai

Date : September 30, 2019

Place : Mumbai

Date : September 30, 2019

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')  
Annexure IV: Restated Consolidated Statement of Changes in Equity  
(Amounts in ₹ million, unless otherwise stated)

Equity share capital

Particulars	Note	Number of shares	Amount
Balance as at April 01, 2016	16	20,000,000	200.00
Issue of bonus shares		30,000,000	300.00
Balance as at March 31, 2017		50,000,000	500.00
Issue of shares		-	-
Balance as at March 31, 2018		50,000,000	500.00
Issue of shares		-	-
Balance as at March 31, 2019		50,000,000	500.00

Other equity

Particulars	Attributable to owners of the Holding Company				Non-controlling interests	Total
	Reserves and Surplus		Foreign currency translation reserve	Total other equity		
	Retained earnings	Statutory reserve				
Balance as at April 01, 2016	505.24	-	-	505.24	-	505.24
Profit for the year	607.07	-	-	607.07	(0.13)	606.94
Issue of shares to Non-controlling interest	-	-	-	-	5.31	5.31
Other comprehensive income for the year	0.63	-	(44.29)	(43.66)	-	(43.66)
Issue of bonus shares	(300.00)	-	-	(300.00)	-	(300.00)
Transfer to Statutory reserve	(0.03)	0.03	-	-	-	-
Balance as at March 31, 2017	812.91	0.03	(44.29)	768.65	5.18	773.83
Profit for the year	484.92	-	-	484.92	(11.67)	473.25
Other comprehensive income for the year	0.21	-	27.99	28.20	(0.10)	28.10
Dividend paid	(75.00)	-	-	(75.00)	-	(75.00)
Dividend distribution tax (refer Annexure V, note 17(a))	-	-	-	-	-	-
Balance as at March 31, 2018	1,223.04	0.03	(16.30)	1,206.77	(6.59)	1,200.18
Profit for the year	571.61	-	-	571.61	(14.14)	557.47
Other comprehensive income for the year	1.35	-	38.93	40.28	1.90	42.18
Dividend paid	(75.00)	-	-	(75.00)	-	(75.00)
Dividend distribution tax	(15.42)	-	-	(15.42)	-	(15.42)
Balance as at March 31, 2019	1,705.58	0.03	22.63	1,728.24	(18.83)	1,709.41

The above statement should be read with basis of preparation and significant accounting policies as appearing in note 1 of Statement of Notes to the Restated Ind AS Consolidated Financial Information and statement of restatement adjustments, to audited consolidated financial statements, appearing in note 41A of Annexure V of Restated Ind AS Consolidated Financial Information.

As per our examination report of even date attached

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of  
**Route Mobile Limited (Formerly known as Routesms Solutions Limited)**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Chandrakant Gupta**  
Chairman  
(DIN No. 01636981)

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)

**Suresh Jankar**  
Chief Financial Officer

Place : Mumbai  
Date : September 30, 2019

Place : Mumbai  
Date : September 30, 2019

## **Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

### **Annexure V – Statement of Notes to the Restated Ind AS Consolidated Financial Information**

#### **Note 1: Basis of preparation and significant accounting policies**

##### **(a) Corporate information**

'Route Mobile Limited' (RML), (the "Company" or the "Holding Company"), its subsidiaries (collectively referred to as the "Group") and its associate are technology service providers for mobile communications industry with a focus on enterprise messaging except for Call 2 Connect India Private Limited, a subsidiary, which operates as a call centre. The Group is a cloud communication provider to enterprises, over-the-top players and mobile network operators except for Call 2 Connect India Private Limited which operates as a call centre.

The Holding Company was incorporated on May 14, 2004 with the name Routesms Solutions Limited, which was changed to Route Mobile Limited with effect from March 16, 2016. The Holding Company has its registered office in Mumbai.

These Restated Ind AS Consolidated Financial Information were approved by the Board of Directors of the Company in their meeting held on September 30, 2019.

##### **(b) Significant accounting policies and assumptions**

###### **(i) Statement of compliance**

The Restated Ind AS Consolidated Statement of Assets and Liabilities as at March 31, 2019, March 31, 2018, and March 31, 2017, the Restated Ind AS Consolidated Statement of Profit and Loss, the Restated Ind AS Consolidated Statement of Cash Flows and Restated Ind AS Consolidated Statement of Changes in Equity for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 and Statement of notes to the Restated Ind AS Consolidated Financial Information (hereinafter collectively referred to as "the Restated Ind AS Consolidated Financial Information") have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act to the extent applicable.

The Restated Ind AS Consolidated Financial Information have been compiled from audited consolidated financial statements of the Group and its associate for the years ended March 31, 2019 and March 31, 2018 which also includes the comparative Ind AS consolidated financial statements for the year ended March 31, 2017 prepared in accordance with Ind AS (hereinafter collectively referred to as "Audited Consolidated Financial Statements").

The Group and its associate prepared its financial statements for all the periods upto and including the year ended March 31, 2017, in accordance with Accounting Standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or Previous GAAP).

The Restated Ind AS Consolidated Financial Information have been specifically prepared for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offering ('IPO') through offer for sale by selling shareholders and fresh issue of equity shares of the Company (referred to as the "Issue").

The Restated Ind AS Consolidated Financial Information have been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Act and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI Regulations") and The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Ind AS Consolidated Financial Information have been compiled by the Management from the Audited Consolidated Financial Statements and:

- there are no audit qualifications on these Audited Consolidated Financial Statements;

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- there were no changes in accounting policies during the respective years of these financial statements except for the new and amended Ind AS 115 'Revenue from Contracts with customers';
- material amounts relating to adjustments for previous years (if any) in arriving at profit of the years to which they relate, have been appropriately adjusted;
- adjustments have been made for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the Groupings as per the audited consolidated financial statements of the Group and its associate as at and for the year ended March 31, 2019 and the requirements of the SEBI Regulations; and

These Restated Ind AS Consolidated Financial Information are presented in Indian Rupees (INR), which is also the entity's functional currency. All amounts have been rounded off to the nearest million with two decimals, unless otherwise indicated.

Significant accounting policies – The accounting policies set out below have been applied consistently to the periods presented in the Restated Ind AS Consolidated Financial Information.

**Current and non-current classification:** All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III of the Act. Based on the nature of service and time taken between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

#### **(ii) Basis of measurement**

The consolidated financial statements have been prepared on a historical cost convention and accrual basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value

#### **(iii) Critical estimates and judgements**

The preparation of Restated Ind AS Consolidated Financial Information in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

#### **• Impairment of investments**

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

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- **Useful lives of property, plant and equipment and Intangible assets**

The Group reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

- **Valuation of deferred tax assets**

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained in point (ix)

- **Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

- **Fair value of financial instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

- **Impairment of financial assets**

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Impairment of Goodwill**

The Group estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies

- **Share-based payments**

Estimating fair value for share-based payments requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.



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- **Contingencies**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

- **Research and development costs**

Management monitors progress of internal research and development projects by using a project judgement as required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

**(iv) Principles of Consolidation and equity accounting**

**(a) Subsidiaries**

The Restated Ind AS Consolidated Financial Information incorporate the financial statements of Route Mobile Limited (RML) and entities controlled by RML and its subsidiaries.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries, line by line by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The financial statements of the parent company and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the parent i.e. 31 March.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet.

Refer Annexure V, note 46 for the list of subsidiaries considered in the Restated Ind AS Consolidated Financial Information. Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date that control ceases.

**(b) Associate**

Associate is an entity over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from associates are recognised as reduction in the carrying amount of the investment.

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When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payment on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policy of the equity accounted investee have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investment is tested for impairment.

#### **(v) Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the Group. Amount disclosed as revenue are reported net of discounts and applicable taxes which are collected on behalf of the government.

(i) Revenue from messaging services– The Group recognises revenue based on the usage of messaging services. The revenue is recognised when the Group's services are used based on the specific terms of the contract with customers.

Income from services is recognised when the service is rendered in terms of the agreements/ arrangements with parties, net of service tax or goods and service tax.

Amounts received or billed in advance for services to be performed in future are recorded as advances from customers / advance billing.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Group and when there is a reasonable certainty with which the same can be estimated.

(ii) Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and carrying value of the investment.

(iii) Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(iv) Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### **(vi) Leases**

##### **Finance lease**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership of the asset transfer from the Group to the lessee or from the lessor to the Group as the case may be.

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#### **Group as a lessee**

Lease rentals are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as finance lease obligations. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return.

#### **Group as a lessor**

Amounts due from lessees under finance leases are recorded as receivables based on the Group's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### **Operating lease**

Leases where the lessor effectively retains substantially all risks and benefits incidental to ownership of the asset are classified as Operating lease.

#### **Group as a lessee**

Operating lease payments (net of any incentive received from the lessor) are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term unless the payments are structured to increase in line with general inflation to compensate for the lessor's expected inflationary costs.

#### **Group as a lessor**

Rental income from operating lease is recognised on a straight line basis over the lease term unless the same is in line with general inflation to compensate for the expected inflationary costs. Initial direct costs incurred in negotiating and arranging an operating lease is recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### **(vii) Borrowing costs**

Borrowing costs attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of such assets upto the date such assets are ready for their intended use. Other borrowing costs are charged to profit or loss. Borrowing cost is calculated using effective interest rate on the amortised cost of the instrument.

#### **(viii) Foreign currency**

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee (₹) whereas the functional currency of foreign subsidiaries is the currency of their country of domicile.

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gains or losses arising on settlement and restatement are recognised in the Restated Consolidated Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated at year end.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities are translated at the closing rate on the balance sheet date

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- (b) Income and expenses are translated at the average exchange rate (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated based on rates prevailing at the date of transaction).
- (c) All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

#### **(ix) Income taxes**

Income tax expense comprises Current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

#### **Current Income taxes**

The current income tax includes income taxes payable by the Group computed in accordance with the tax laws applicable in the jurisdiction in which the parent company and its subsidiaries, associate operate and generate taxable income. Advance taxes and provision for current income tax are presented in the Balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis.

#### **Deferred income taxes**

Deferred income tax is recognised using Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition.

Deferred tax assets are recognised to the extent future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow deferred income tax assets to be utilised. At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries and associate where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India which is likely to give future economic benefits in the form of availability of setoff against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

#### **(x) Financial instruments**

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

#### **(I) Financial assets**

##### **Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets change.

##### **Initial measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### **Subsequent measurement of debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

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- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### **De-recognition of financial assets**

A financial asset is de-recognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

#### **Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **(II) Financial liabilities**

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently, all financial liabilities are measured at amortised cost using the effective interest rate method

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transactions with shareholders.

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#### **(III) Derivative Financial Instruments**

The Group uses currency swaps as derivative instruments to mitigate the risk of changes in currency rates. Such derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value.

#### **(xi) Property plant and equipment (including Capital Work-in-Progress)**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight, adjustment for GST credit, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.

Assets acquired but not ready for use or assets under construction are classified under Capital work in progress.

#### **(xii) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

#### **Research and development**

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the consolidated statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Company, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the consolidated statement of profit and loss as incurred.

#### **(xiii) Depreciation/Amortisation**

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on written down value (WDV) method over the useful lives of assets as determined by the management which is in line with Part-C of Schedule II of the Act with residual value of 5%, except servers and network (part of Computers).

Servers and networks are depreciated over a period of five years, based on internal assessment and technical evaluation carried out by the management, and which represents the period over which they expect to use these assets.

Leasehold improvements are amortised over the period of lease or their estimated useful life, whichever is earlier, on a straight-line basis.

Depreciation on assets acquired under finance lease is spread over the lease period or useful life, whichever is shorter on a straight line basis.

Intangible assets are amortized on a straight line basis.

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Following table summarises the nature of intangibles and their estimated useful lives:

<b>Nature of Intangibles</b>	<b>Useful lives</b>
Computer software	5 years
Trade mark	5 years
License	5 years
Software	4 years
Customer relationship	10 years
Non-compete fees	7 years

Depreciation is calculated pro-rata from/to the date of addition/deletion.

**(xiv) Impairment of assets**

**Non-financial assets**

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

**Financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

**(xv) Employee benefits**

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognised as expenses in the consolidated Statement of Profit and Loss.

The Group's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the consolidated Statement of Profit and Loss on accrual basis. The Group has categorised its Provident Fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions.

The Group's liability towards gratuity, being defined benefit plan is accounted for on the basis of an independent actuarial valuation using the projected unit credit method, done at the year end. Gratuity liability is not funded and the payments are made to the employees directly when they leave the organisation post completion of 5 years of service or at the time of retirement (with minimum 5 years of service), whichever is earlier.



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Service cost and the net interest cost is included in employee benefit expense in the consolidated statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation is credited/charged to other comprehensive income.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

#### **(xvi) Provisions, contingent liabilities and contingent assets**

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in the financial statements. However, its is disclosed only when an inflow of economic benefits is probable.

#### **(xvii) Earnings per share**

Basic earnings per share are computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the period/year.

Diluted earnings per share is computed by dividing net profit after tax (excluding other comprehensive income) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

#### **(xviii) Business combinations**

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred / assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identified assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

The Group recognises any non-controlling interest in the acquired entity on an acquisition by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Purchase consideration paid in excess of the fair value of net identifiable assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

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Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of transaction. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently remeasured at fair value with changes in fair value recognised in profit or loss.

Acquisition related costs incurred in connection with a business combination such as stamp duty, legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss / other comprehensive income.

#### **(xix) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, organisation structure as well as differential risks and returns, using the information provided to the board of directors and chief operating officer, together, the chief operating decision maker ('CODM').

#### **(xx) Share based payments**

Share-based compensation benefits are provided to employees via the ROUTE MOBILE LIMITED-Employee Stock Option Plan 2017 (the 'ESOP scheme'). The fair value of options granted under the Employee Stock Option Plan 2017 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to serve or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

#### **(xxi) Government Grants**

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, its recognition as income in the consolidated statement of profit and loss is linked to fulfilment of associated export obligations.

The Group has chosen to present grants received to income, as other income in the consolidated statement of profit and loss.

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**(xxii) Standard issued but not yet effective**

**Recent accounting pronouncements**

**Ind AS 116: Leases**

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116, Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1 April 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the consolidated statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on right of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

As at April 1, 2019, the Group and its associate has discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring lease liabilities at ₹ 155.60 million and accordingly recognised right-of-use assets at ₹ 136.36 million and also adjusted retained earnings by ₹ 12.51 million (net of tax).

## 2 Property, plant and equipment

Particulars	Building	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipment	Computers#	Total
<b>Gross block</b>							
<b>Balance as at April 1, 2016</b>	<b>33.10</b>	<b>11.73</b>	<b>-</b>	<b>21.07</b>	<b>5.11</b>	<b>99.78</b>	<b>170.79</b>
Additions	-	28.98	23.80	14.04	1.94	72.75	141.51
Acquired on acquisition of subsidiaries (refer Annexure V, note 45)	-	-	-	-	0.01	0.32	0.33
Disposals	-	(7.66)	-	(3.85)	(2.88)	(0.29)	(14.68)
Foreign currency translations adjustment	-	(0.02)	-	-	(0.01)	0.15	0.12
<b>Balance as at March 31, 2017</b>	<b>33.10</b>	<b>33.03</b>	<b>23.80</b>	<b>31.26</b>	<b>4.17</b>	<b>172.71</b>	<b>298.07</b>
Additions	69.72	4.95	-	0.65	2.92	24.25	102.49
Acquired on acquisition of subsidiaries (refer Annexure V, note 45)	-	9.87	-	-	4.37	12.45	26.69
Disposals	-	(1.43)	-	-	-	-	(1.43)
Foreign currency translations adjustment	0.20	0.25	-	-	0.05	(1.30)	(0.80)
<b>Balance as at March 31, 2018</b>	<b>103.02</b>	<b>46.67</b>	<b>23.80</b>	<b>31.91</b>	<b>11.51</b>	<b>208.11</b>	<b>425.02</b>
Additions	-	16.23	-	4.95	10.04	29.17	60.39
Disposals	-	-	-	-	-	-	-
Foreign currency translations adjustment	4.43	(0.09)	-	-	0.03	0.66	5.03
<b>Balance as at March 31, 2019</b>	<b>107.45</b>	<b>62.81</b>	<b>23.80</b>	<b>36.86</b>	<b>21.58</b>	<b>237.94</b>	<b>490.44</b>
<b>Accumulated depreciation and amortisation</b>							
<b>Balance as at April 1, 2016</b>	<b>11.16</b>	<b>7.78</b>	<b>-</b>	<b>11.53</b>	<b>3.72</b>	<b>53.49</b>	<b>87.68</b>
Depreciation and amortisation charge	1.02	6.77	4.10	6.11	0.89	29.95	48.84
Reversal on disposal of assets	-	(4.82)	-	(3.06)	(2.12)	(0.14)	(10.14)
Foreign currency translations adjustment	-	-	-	-	-	0.65	0.65
<b>Balance as at March 31, 2017</b>	<b>12.18</b>	<b>9.73</b>	<b>4.10</b>	<b>14.58</b>	<b>2.49</b>	<b>83.95</b>	<b>127.03</b>
Depreciation and amortisation charge	2.73	7.49	4.92	5.37	2.62	41.20	64.33
Reversal on disposal of assets	-	(0.11)	-	-	-	-	(0.11)
Foreign currency translations adjustment	0.00	0.02	-	-	0.01	(0.36)	(0.33)
<b>Balance as at March 31, 2018</b>	<b>14.91</b>	<b>17.13</b>	<b>9.02</b>	<b>19.95</b>	<b>5.12</b>	<b>124.79</b>	<b>190.92</b>
Depreciation and amortisation charge	4.33	7.33	4.92	4.24	2.99	40.14	63.95
Reversal on disposal of assets	-	-	-	-	-	-	-
Foreign currency translations adjustment	1.20	(0.02)	-	-	0.02	0.41	1.61
<b>Balance as at March 31, 2019</b>	<b>20.44</b>	<b>24.44</b>	<b>13.94</b>	<b>24.19</b>	<b>8.13</b>	<b>165.34</b>	<b>256.48</b>
<b>Net block</b>							
<b>Balance as at March 31, 2017</b>	<b>20.92</b>	<b>23.30</b>	<b>19.70</b>	<b>16.68</b>	<b>1.68</b>	<b>88.76</b>	<b>171.04</b>
<b>Balance as at March 31, 2018</b>	<b>88.11</b>	<b>29.54</b>	<b>14.78</b>	<b>11.96</b>	<b>6.39</b>	<b>83.32</b>	<b>234.10</b>
<b>Balance as at March 31, 2019</b>	<b>87.01</b>	<b>38.37</b>	<b>9.86</b>	<b>12.67</b>	<b>13.45</b>	<b>72.60</b>	<b>233.96</b>

# includes gross value of assets taken on finance lease aggregating to ₹ 37.72 million as at March 31, 2019 (March 31, 2018: ₹ 37.72 million, March 31, 2017: ₹ 37.72 million) with accumulated depreciation of ₹ 20.96 million as at March 31, 2019 (March 31, 2018: ₹ 10.90 million, March 31, 2017: ₹ 0.84 million) and depreciation for the year ended March 31, 2019 ₹ 10.06 million (Year ended March 31, 2018 ₹ 10.06 million, March 31, 2017: ₹ 0.84 million).

The dubai property (grouped in Building) as at March 31, 2019 and March 31, 2018 is registered in the personal name of Rajdipkumar Gupta and Sandipkumar Gupta. Due to legal restriction in Dubai, through nominee agreement, the Dubai subsidiary has nominated Rajdipkumar Gupta and Sandipkumar Gupta to buy the property on its behalf for the benefit of the Dubai subsidiary and also to ensure compliance with Dubai Emirate laws.

Refer Annexure V, note 37 for information on property, plant and equipment pledged as security.

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3 Goodwill

Particulars	Amount
<b>Balance as at April 1, 2016</b>	<b>1.00</b>
Acquisition of subsidiaries (refer Annexure V, note 45)	136.66
Foreign currency translations adjustment	-
<b>Balance as at March 31, 2017</b>	<b>137.66</b>
Acquisition of subsidiaries (refer Annexure V, note 45)	673.18
Foreign currency translations adjustment	20.55
<b>Balance as at March 31, 2018</b>	<b>831.39</b>
Additions	-
Foreign currency translations adjustment	(10.16)
<b>Balance as at March 31, 2019</b>	<b>821.23</b>

Goodwill was tested for impairment in accordance with the Group's procedure for determining the recoverable value of such assets.

The recoverable amount of the Cash Generating Unit (CGU) is the higher of fair value less cost to sell ("FVLCTS") and its value in use ("VIU"). The FVLCTS of the CGU is determined based on the market capitalisation approach. The VIU is determined based on discounted cash flow projections.

Based on above testing, no impairment was identified as of March 31, 2019, March 31, 2018 and March 31, 2017 as the recoverable value exceeded the carrying value.

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4 Intangible assets

Particulars	Computer software	Trademark	License	Software	Customer relationship	Non - Compete fees	Total
<b>Gross block</b>							
<b>Balance as at April 1, 2016</b>	<b>16.31</b>	-	-	-	-	-	<b>16.31</b>
Additions	15.56	-	-	-	-	-	15.56
Acquired on acquisition of subsidiaries (refer Annexure V, note 45)	-	0.03	0.01	-	-	-	0.04
Disposals	-	-	-	-	-	-	-
Foreign currency translations adjustment	(0.81)	-	-	-	-	-	(0.81)
<b>Balance as at March 31, 2017</b>	<b>31.06</b>	<b>0.03</b>	<b>0.01</b>	-	-	-	<b>31.10</b>
Additions	0.23	-	-	-	-	-	0.23
Acquired on acquisition of subsidiaries (refer Annexure V, note 45)	0.99	-	-	90.93	640.37	35.45	767.74
Disposals	-	-	-	-	-	-	-
Foreign currency translations adjustment	0.60	-	-	3.80	26.74	1.48	32.62
<b>Balance as at March 31, 2018</b>	<b>32.88</b>	<b>0.03</b>	<b>0.01</b>	<b>94.73</b>	<b>667.11</b>	<b>36.93</b>	<b>831.69</b>
Additions	4.06	-	-	-	-	-	4.06
Disposals	-	-	-	-	-	-	-
Foreign currency translations adjustment	0.02	-	-	(0.94)	(6.62)	(0.37)	(7.91)
<b>Balance as at March 31, 2019</b>	<b>36.96</b>	<b>0.03</b>	<b>0.01</b>	<b>93.79</b>	<b>660.49</b>	<b>36.56</b>	<b>827.84</b>
<b>Accumulated amortisation</b>							
<b>Balance as at April 1, 2016</b>	<b>8.23</b>	-	-	-	-	-	<b>8.23</b>
Amortisation charge	5.30	0.01	0.01	-	-	-	5.32
Reversal on disposal of assets	-	-	-	-	-	-	-
Foreign currency translations adjustment	(0.40)	-	-	-	-	-	(0.40)
<b>Balance as at March 31, 2017</b>	<b>13.13</b>	<b>0.01</b>	<b>0.01</b>	-	-	-	<b>13.15</b>
Amortisation charge	11.35	0.01	0.00	14.93	31.53	2.41	60.23
Reversal on disposal of assets	-	-	-	-	-	-	-
Foreign currency translations adjustment	0.44	-	-	0.86	1.80	0.14	3.24
<b>Balance as at March 31, 2018</b>	<b>24.92</b>	<b>0.02</b>	<b>0.01</b>	<b>15.79</b>	<b>33.33</b>	<b>2.55</b>	<b>76.62</b>
Amortisation charge	5.45	0.01	-	31.42	66.38	5.05	108.31
Reversal on disposal of assets	-	-	-	-	-	-	-
Foreign currency translations adjustment	(0.05)	-	-	(0.31)	(0.64)	(0.05)	(1.05)
<b>Balance as at March 31, 2019</b>	<b>30.32</b>	<b>0.03</b>	<b>0.01</b>	<b>46.90</b>	<b>99.07</b>	<b>7.55</b>	<b>183.88</b>
<b>Net block</b>							
<b>Balance as at March 31, 2017</b>	<b>17.93</b>	<b>0.02</b>	-	-	-	-	<b>17.95</b>
<b>Balance as at March 31, 2018</b>	<b>7.96</b>	<b>0.01</b>	-	<b>78.94</b>	<b>633.78</b>	<b>34.38</b>	<b>755.07</b>
<b>Balance as at March 31, 2019</b>	<b>6.64</b>	<b>0.00</b>	-	<b>46.89</b>	<b>561.42</b>	<b>29.01</b>	<b>643.96</b>

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	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>5 Non-current Investments</b>			
<b>Investments in equity shares - Unquoted</b>			
Associate - Defero Mobile (Thailand) Co. Ltd.	-	-	0.43
March 31, 2019: Nil (March 31, 2018: Nil, March 31, 2017: 2,450) equity shares of THB 100 each, fully paid up			
	-	-	<b>0.43</b>
Aggregate amount of unquoted investments	-	-	0.43
Aggregate amount of impairment in value of investments	-	-	-
<b>6 Other non-current financial assets</b>			
Unsecured, considered good, unless otherwise stated			
Security deposits	46.60	39.21	12.88
Loans and advances to employees	0.44	3.37	0.65
Fixed deposits with bank having maturity of more than 12 months	0.10	0.10	28.34
Interest accrued but not due on fixed deposits	-	0.04	0.44
	<b>47.14</b>	<b>42.72</b>	<b>42.31</b>
<b>7 Deferred tax assets (net)</b>			
<b>Deferred tax liability arising on account of :</b>			
Depreciation and amortisation	-	-	(0.71)
<b>Total deferred tax liabilities</b>	-	-	<b>(0.71)</b>
<b>Deferred tax assets arising on account of :</b>			
Depreciation and amortisation	6.66	4.41	-
Provision for compensated absences	0.77	1.05	0.78
Provision for gratuity	5.20	4.97	4.36
Provision for expenses	16.87	5.51	1.74
Provision for doubtful debts and advances	5.54	4.99	4.43
<b>Total deferred tax assets</b>	<b>35.04</b>	<b>20.93</b>	<b>11.31</b>
<b>Deferred tax assets (net)</b>	<b>35.04</b>	<b>20.93</b>	<b>10.60</b>
<b>8 Non-current tax assets (net)</b>			
Advance income tax ( net of provision)	89.51	57.78	49.87
	<b>89.51</b>	<b>57.78</b>	<b>49.87</b>
<b>9 Other non-current assets</b>			
Capital advances	-	-	26.03
Advances other than capital advances			
Balance with government authorities	140.30	89.30	51.05
Deposit with government authorities	18.75	-	-
Prepaid expenses	3.63	5.85	3.25
	<b>162.68</b>	<b>95.15</b>	<b>80.33</b>

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	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>10 Current investments</b>			
<b>Investments carried at fair value through profit or loss (FVTPL)</b>			
<b>Investments in mutual funds - Unquoted</b>			
Axis Banking and PSU Debt Fund - Growth	53.37	-	-
March 31, 2019: 30,535.80 units (March 31, 2018: Nil, March 31, 2017: Nil) of ₹ 1,747.63 each			
I&T Triple Ace Bond Fund - Growth	53.29	-	-
March 31, 2019: 1,147,660.27 units (March 31, 2018: Nil, March 31, 2017: Nil) of ₹ 46.43 each			
ICICI Mutual fund	-	-	0.04
Liquid Plan Retail Daily Dividend			
March 31, 2019: Nil (March 31, 2018: Nil, March 31, 2017: 312.44 units of ₹ 118.51 each)			
	<b>106.66</b>	<b>-</b>	<b>0.04</b>
Aggregate amount of unquoted investments	106.66	-	0.04
Aggregate amount of impairment in value of investments	-	-	-
Details of investments pledged are given under Annexure V, note 37			
<b>11 Trade receivables *</b>			
Unsecured, considered good**	1,447.07	972.92	333.26
Trade Receivables which have significant credit risk	-	-	-
Trade receivables - credit impaired	16.39	14.48	12.81
Less: Provision for bad and doubtful debts	(16.39)	(14.48)	(12.81)
	<b>1,447.07</b>	<b>972.92</b>	<b>333.26</b>
* Details of assets pledged are given under Annexure V, note 37			
** Includes ₹ 45.90 million (March 31, 2018: Nil, March 31, 2017: Nil) which are subject to factoring arrangement.			
The above outstanding balances include the following receivables due from company where Director of the Company is a director:			
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
29 Three Holidays Private Limited	0.24	0.22	0.04
<b>12 Cash and cash equivalents</b>			
Cash on hand	1.75	0.44	0.14
Balances with banks			
- in current accounts	161.81	188.39	424.18
- in EEFC accounts	126.74	11.42	6.47
- in deposit accounts with maturity upto 3 months	3.40	34.83	376.86
- wallets balances	0.31	0.06	0.34
	<b>294.01</b>	<b>235.14</b>	<b>807.99</b>
<b>13 Other bank balances*</b>			
Deposits with maturity more than 3 months but less than 12 months	2.68	2.08	81.23
Balances with bank held as margin money	4.00	34.28	70.14
Balances with bank held towards bank guarantee	655.85	754.47	150.00
	<b>662.53</b>	<b>790.83</b>	<b>301.37</b>
* Details of assets pledged are given under Annexure V, note 37			



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	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>14 Other current financial assets</b>			
Unsecured, considered good, unless otherwise stated			
Security deposits	19.35	16.31	8.53
Interest accrued but not due on fixed deposits	1.36	4.32	8.87
Advances to employees	5.46	4.91	4.09
Other receivables	0.17	-	0.01
Contract assets	56.69	16.24	-
Government grant receivable (refer note (a) below)	10.00	-	-
Advances to related parties*	2.79	-	-
	<b>95.82</b>	<b>41.78</b>	<b>21.50</b>

\*The above outstanding balances include the following receivables due from company where Director of the Company is a director:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Zon Hotels Private Limited ( Formerly known as 'Shrem Resort Private Limited')	2.79	-	-

**Note:**

- (a) Route Mobile Limited (RML) and Call2Connect (C2C) have been awarded incentive plan under the India BPO Promotion Scheme (IBPS), envisaged under Digital India Programme. In accordance with the agreement with Software Technology Parks of India, Government of India by RML, a Special Purpose Vehicle was formed in the name of “Route Connect Private Limited” (RCPL) with 74% stake held by RML and the balance by C2C.

As part of the scheme, RCPL is eligible for a government grant to the extent of 50% of capital and/or 100% of operational expenditure incurred on BPO/ITES operations on admissible items, subject to an upper ceiling of ₹ 0.1 million per seat.

Since the primary condition of the proposed Government grant is that C2C should commit to set up the BPO/ITES operations for required number of seats and operate it for a minimum period of three years from the date of commencement of the BPO/ITES operations, which is expected to be fulfilled by C2C, the grant has been recorded as a “revenue grant” in accordance with Indian Accounting Standard - 20, “Accounting for Government Grants and Disclosure of Government Assistance” prescribed by Companies (Indian Accounting Standards) Rules, 2015. The grant has been recognized in the Consolidated Statement of Profit and Loss over the 3 year period to align it with the related cost. During the year ended March 31, 2019, the Group has recognized ₹ 10 million as grant income in the Restated Consolidated Statement of Profit and Loss.

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	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>15 Other current assets</b>			
Advances to suppliers	13.15	60.34	16.99
Balance with government authorities	45.32	10.67	2.00
Unamortised share issue expenses#	42.92	37.18	-
Foreign tax credit receivable	69.97	-	-
Prepaid expenses	38.68	47.38	10.54
Advances			
- Due by companies in which director is a director*	3.48	2.67	2.67
Less: Provision for doubtful advances	(2.67)	(2.67)	-
	<b>210.85</b>	<b>155.57</b>	<b>32.20</b>

\*The above outstanding balances include the following receivables due from companies where Director of the Company is a director:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Graphixide Services Private Limited	2.67	2.67	2.67
29 Three Holidays Private Limited	0.81	-	-

# Represents expenses incurred by the Holding Company in connection with proposed public offer of equity shares. In accordance with the Act and also as per the offer agreement entered between the Holding Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Holding Company will partly recover the expenses incurred in connection with the issue on completion of Initial Public Offer (IPO). The Holding Company's share of expenses shall be adjusted against securities premium to the extent possible under Section 52 of the Act on successful completion of IPO. The entire amount has been carried forward and disclosed under 'Other current assets' and the amount which is receivable from the selling shareholders is not disclosed separately as the amount is not determinable at this stage pending completion of the IPO.

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Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>16 Equity share capital</b>			
<b>Authorised capital</b>			
100,000,000 (March 31, 2018: 100,000,000, March 31, 2017: 100,000,000) equity shares of ₹ 10 each	1,000.00	1,000.00	1,000.00
<b>Issued, subscribed and fully paid up</b>			
50,000,000 (March 31, 2018: 50,000,000, March 31, 2017: 50,000,000) equity shares of ₹ 10 each	500.00	500.00	500.00
	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017	
	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	50,000,000	500.00	50,000,000	500.00	20,000,000	200.00
Add: Bonus shares issued during the year	-	-	-	-	30,000,000	300.00
<b>Balance at the end of the year</b>	<b>50,000,000</b>	<b>500.00</b>	<b>50,000,000</b>	<b>500.00</b>	<b>50,000,000</b>	<b>500.00</b>

(b) Rights, preferences and restrictions attached to equity shares

The Holding Company has one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors of holding company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the holding company, the holders of equity shares will be entitled to receive any of the remaining assets of the holding company after distribution of all preferential amounts and the distribution will be in proportion to the number of equity shares held in the holding company.

(c) Shareholders holding more than 5% of the shares

	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Sandipkumar Gupta	14,400,000	28.80%	14,400,000	28.80%	15,000,000	30.00%
Rajdipkumar Gupta	14,400,000	28.80%	14,400,000	28.80%	15,000,000	30.00%
CC Gupta Family Trust	5,000,000	10.00%	5,000,000	10.00%	NA	NA
Chandrakant Gupta	*	*	*	*	5,000,000	10.00%
Chamelidevi Gupta	*	*	*	*	5,000,000	10.00%
Sunita Gupta	4,320,000	8.64%	4,320,000	8.64%	4,500,000	9.00%
Sarika Gupta	4,320,000	8.64%	4,320,000	8.64%	4,500,000	9.00%

\* The holding is less than 5%.

(d) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount	Number	Amount
Equity shares allotted as fully paid bonus shares	30,000,000	300.00	18,000,000	180.00

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP), refer Annexure V, note 50.

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>17 Other equity</b>			
(i) Reserves and surplus			
(a) Retained earnings	1,705.58	1,223.04	812.91
(b) Statutory reserve	0.03	0.03	0.03
(ii) Foreign currency translation reserve	22.63	(16.30)	(44.29)
<b>Total other equity</b>	<b>1,728.24</b>	<b>1,206.77</b>	<b>768.65</b>
<b>Retained earnings</b>			
Balance at the beginning of the year	1,223.04	812.91	505.24
Add: Profit for the year	571.61	484.92	607.07
Add: Other comprehensive income for the year	1.35	0.21	0.63
Less: Transfer to Statutory reserve	-	-	(0.03)
Less: Issue of bonus shares	-	-	(300.00)
Less: Final dividend paid	(75.00)	(75.00)	-
Less: Dividend distribution tax (refer note (a) below)	(15.42)	-	-
<b>Balance at the end of the year</b>	<b>1,705.58</b>	<b>1,223.04</b>	<b>812.91</b>
<b>Statutory reserve</b>			
Balance at the beginning of the year	0.03	0.03	-
Add: Transferred from retained earnings	-	-	0.03
<b>Balance at the end of the year</b>	<b>0.03</b>	<b>0.03</b>	<b>0.03</b>
<b>Foreign currency translation reserve</b>			
Balance at the beginning of the year	(16.30)	(44.29)	-
Add/(Less): Movement during the year (net)	38.93	27.99	(44.29)
<b>Balance at the end of the year</b>	<b>22.63</b>	<b>(16.30)</b>	<b>(44.29)</b>
<b>Other equity</b>	<b>1,728.24</b>	<b>1,206.77</b>	<b>768.65</b>

**Nature and purpose of reserves**

**(i) Retained earnings**

Retained earnings pertain to the accumulated earnings by the group over the years.

**(ii) Statutory reserve**

The reserve is created by appropriating 10% of the net profits of Route Mobile LLC for the specific year as required by Article 9 of the Memorandum and Articles of Association of this Company.

**(iii) Foreign currency translation reserve**

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policies and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

**(Amounts in ₹ million, unless otherwise stated)**

**Note (a):**

For the year ended March 31, 2017, the Board of Directors of Holding Company at its meeting held on September 04, 2017 had recommended final dividend of ₹ 75 million (₹ 1.5 per equity share) which was approved by the shareholders in the Annual General Meeting of the Holding Company held on September 22, 2017. The final dividend was declared and paid during the year ended March 31, 2018. During the financial year 2016-17, the Holding Company had received dividend from its foreign subsidiary, Routesms Solutions (FZE) ("RSMS Dubai") amounting to ₹ 355.40 million. Tax on such dividend received, was paid by the Holding Company u/s 115BBD of the Income tax Act, 1961.

While computing the amount of dividend liable to payment of Dividend Distribution Tax (DDT) u/s 115-O, based on Section 115-O(1A)(i)(b) of the Income tax Act, 1961, the additional income-tax to be charged will be based on the amount of dividend to be declared by the Holding Company as reduced by the amount of dividend, if any, received from a foreign subsidiary company and tax on such balance dividend is payable by the domestic company u/s 115BBD.

As tax u/s 115BBD was paid by the Holding Company on the dividend received and such dividend received is greater than the amount of dividend declared, no dividend distribution tax is payable on the dividend declared by the Holding Company during the year ended March 31, 2018.

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')  
Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>18 Non-current borrowings</b>			
<b>Secured</b>			
Finance lease obligations	15.97	25.72	34.86
Term loan from bank	39.41	38.26	-
Vehicle loans from banks	3.53	-	-
Less : Current maturities of long-term borrowings (refer Annexure V, note 24)	(13.16)	(11.54)	(9.02)
	<b>45.75</b>	<b>52.44</b>	<b>25.84</b>

Details of repayment, rate of interest and security for loans from bank and financial institutions:

Name of the Bank / Lessor	Installments	No. of installments as on March 31, 2019	Installment Amount as on March 31, 2019	Rate of Interest	Nature of securities	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
CISCO Systems Capital (India) Private Limited	Quarterly	6	11.73	1.86% per quarter	Assets obtained on	10.88	17.69	23.90
CISCO Systems Capital (India) Private Limited	Quarterly	6	0.94	1.40% per quarter	finance lease (computers	0.90	1.34	1.99
CISCO Systems Capital (India) Private Limited	Quarterly	6	4.53	2.26% per quarter	and computer servers)	4.19	6.69	8.97
<b>Sub total</b>			<b>17.20</b>			<b>15.97</b>	<b>25.72</b>	<b>34.86</b>
HDFC Bank Limited	Monthly	53	4.25	8.6% p.a.	Vehicles	3.53	-	-
<b>Sub total</b>			<b>4.25</b>			<b>3.53</b>	<b>-</b>	<b>-</b>
Mashreqbank psc	Monthly	162	57.44	4.75% p.a for 1st year and thereafter 3 month EIBOR+4.49% margin (with minimum interest rate of 5.99% p.a.)	Office unit 403, Business Bay, Dubai	39.41	38.26	-
<b>Sub total</b>			<b>57.44</b>			<b>39.41</b>	<b>38.26</b>	<b>-</b>
<b>Total</b>			<b>78.89</b>			<b>58.91</b>	<b>63.98</b>	<b>34.86</b>

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**  
**(Amounts in ₹ million, unless otherwise stated)**

**Net debt reconciliation :**

<b>Particulars</b>	<b>Non-current borrowings (including current maturities)</b>	<b>Current borrowings</b>	<b>Cash and cash equivalents and bank overdrafts</b>	<b>Total</b>
Net debt as on April 01, 2017	(34.97)	(150.00)	807.99	623.02
Cash flows (net)	(29.12)	(520.09)	(577.27)	(1,126.48)
Loan taken over on acquisition (refer Annexure V, note 45)	-	(99.19)	4.42	(94.77)
Foreign exchange loss	-	(8.46)	-	(8.46)
Finance costs	(3.37)	(6.61)	-	(9.98)
Finance cost paid	3.48	6.27	-	9.75
<b>Net debt as at March 31, 2018</b>	<b>(63.98)</b>	<b>(778.08)</b>	<b>235.14</b>	<b>(606.92)</b>

**Net debt reconciliation :**

<b>Particulars</b>	<b>Non-current borrowings (including current maturities)</b>	<b>Current borrowings</b>	<b>Cash and cash equivalents and bank overdrafts</b>	<b>Total</b>
Net debt as on April 01, 2018	(63.98)	(778.08)	235.14	(606.92)
Cash flows (net)	5.07	53.69	58.87	117.63
Foreign exchange loss	-	(7.57)	-	(7.57)
Finance costs	(5.62)	(14.87)	-	(20.50)
Finance cost paid	5.62	14.56	-	20.19
<b>Net debt as at March 31, 2019</b>	<b>(58.91)</b>	<b>(732.27)</b>	<b>294.01</b>	<b>(497.17)</b>

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Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>19 Non-current provisions</b>			
<b>Provisions for employee benefits</b>			
Gratuity (refer Annexure V, note 44)	15.61	14.22	10.16
	<b>15.61</b>	<b>14.22</b>	<b>10.16</b>
<b>20 Deferred tax liabilities (net)</b>			
<b>Deferred tax liability arising on account of :</b>			
Depreciation and amortisation	0.15	0.89	0.74
<b>Deferred tax assets arising on account of :</b>			
Provision for gratuity	-	0.42	-
	<b>0.15</b>	<b>0.47</b>	<b>0.74</b>
<b>21 Other non-current liabilities</b>			
Lease equalisation reserve	6.72	4.01	1.60
	<b>6.72</b>	<b>4.01</b>	<b>1.60</b>

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	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>22 Current borrowings</b>			
<b>Secured</b>			
Working capital loan from bank	595.72	768.46	150.00
Term loan from bank	90.00	-	-
Bill discounting with bank	45.90	-	-
<b>Unsecured</b>			
Loan from related parties (Interest free, repayable on demand)	-	9.28	-
	<b>731.62</b>	<b>777.74</b>	<b>150.00</b>

**Details of borrowings:**

Nature of loan	Name of the Bank	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	Rate of Interest (p.a.)	Nature of securities	Terms of repayment
Term loan	Kotak Mahindra Bank Limited	90.00	-	-	8.2% p.a.	Refer note (a) below	Payable within one year
Working capital	Yes Bank Limited	-	201.05	150.00	3 months Libor plus 150 bps i.e. 2.93% to 3.51% p.a.	Refer note (b) below	Payable on demand
Working capital	Deutsche Bank	542.76	550.55	-	0.75% plus cost of funds of the bank i.e. 0.90% p.a.	Refer note (b) below	Payable on demand
Working capital	Yes Bank Limited	52.96	16.86	-	1.45% spread over and above 6 months Marginal cost lending rate (MCLR) i.e. 10.50% p.a.	Refer note (b) below	Payable on demand
Bill discounting	HDFC Bank	45.90	-	-	7.556% p.a.	Secured against trade receivables	Repayable within 30 days from loan date
Loan	Related party	-	9.28	-	Interest free	Unsecured	Payable on demand
<b>Total</b>	<b>Total</b>	<b>731.62</b>	<b>777.74</b>	<b>150.00</b>			

**a. Nature of security for term loan from bank :**

(i) secured by way of exclusive charge over the current investments

**b. Nature of security for Working capital loan from bank:****Yes Bank:****For March 2019**

- (i) secured by way of exclusive charge over the current assets and movable fixed assets
- (ii) Equitable mortgage of commercial property situated in Mumbai owned by Company.
- (iii) personal guarantees of the directors (Rajdipkumar Gupta, Sandipkumar Gupta and Chandrakant Gupta)

**For March 2018**

- (i) secured by way of exclusive charge over the current assets and movable fixed assets
- (ii) Equitable mortgage of commercial property situated in Mumbai owned by Company and residential property in Goa owned by Rajdipkumar Gupta and Sandipkumar Gupta
- (iii) personal guarantees of the directors (Rajdipkumar Gupta, Sandipkumar Gupta and Chandrakant Gupta)

**For March 2017**

- (i) secured by way of first charge on fixed deposits

**Deutsche Bank:****For March 2019 and March 2018**

- (i) secured by way of first charge on fixed deposits of the UK entity

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>23 Trade payables</b>			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	597.41	561.17	360.23
	<b>597.41</b>	<b>561.17</b>	<b>360.23</b>

The above outstanding balances include the following payables due to group companies/ related parties\*:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
29 Three Holidays Private Limited	0.81	5.70	1.57
Spectrum Technologies	7.16	2.23	-
Zon Hotels Private Limited ( Formerly known as 'Shrem Resort Private Limited')	0.92	0.92	-

**24 Other current financial liabilities**

Current maturity of long-term borrowings (refer Annexure V, note 18)	13.16	11.54	9.02
Interest accrued but not due on borrowings	0.65	0.34	0.11
Security deposits	3.25	4.73	2.02
Capital creditors	0.03	19.72	2.52
Dues to employees	2.67	2.18	2.25
Outstanding expenses	312.07	327.41	18.16
Mark to market of derivative financial instruments	0.26	-	-
Book overdraft	0.12	-	12.63
Payable on account of business combination (refer Annexure V, note 45(d))	730.71	643.79	-
	<b>1,062.92</b>	<b>1,009.71</b>	<b>46.71</b>

**25 Current provisions**
**Provisions for employee benefits**

Gratuity (refer Annexure V, note 44)	3.11	4.03	4.42
Compensated absences (refer Annexure V, note 44)	2.64	3.61	2.25
	<b>5.75</b>	<b>7.64</b>	<b>6.67</b>

**26 Current tax liabilities (net)**

Provision for tax (net of advance tax)	116.37	37.91	13.62
	<b>116.37</b>	<b>37.91</b>	<b>13.62</b>

**27 Other current liabilities**

Statutory dues	44.03	41.28	13.08
Contract liability	36.02	26.61	104.07
	<b>80.05</b>	<b>67.89</b>	<b>117.15</b>

**Note:** There are no amounts due to be transferred to the Investor Education and Protection Fund as at the year end.

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**  
(Amounts in ₹ million, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<b>28 Revenue from operations</b>			
<b>Sale of services</b>			
-Messaging services	8,223.17	4,896.31	4,554.53
-Call center services	223.51	153.17	-
<b>Other operating revenue</b>			
-Software development fees	-	-	21.28
	<b>8,446.68</b>	<b>5,049.48</b>	<b>4,575.81</b>
<b>Disaggregation of revenue:</b>			
<b>Revenue based on geography</b>			
Domestic	1,439.17	1,005.58	755.77
Export	7,007.51	4,043.90	3,820.04
<b>Revenue from operations</b>	<b>8,446.68</b>	<b>5,049.48</b>	<b>4,575.81</b>
<b>29 Other income</b>			
Interest income on financial assets measured at amortised cost:			
- Fixed deposits	22.91	31.13	33.77
- Security deposits	2.12	1.72	1.13
Rental income	0.12	0.12	0.30
Net gain arising on financial assets designated as FVTPL	6.66	-	-
Interest on income tax refund	1.10	-	-
Liabilities no longer payable, written back	26.66	10.03	20.47
Gain on disposal of investment	-	0.07	-
Consultancy income	-	-	16.79
Gain on derivative financial instruments (net)	6.71	-	-
Government grant (refer Annexure V, note 14(a))	10.00	-	-
Miscellaneous income	0.81	2.30	0.05
	<b>77.09</b>	<b>45.37</b>	<b>72.51</b>
<b>30 Purchases of messaging services</b>			
Purchases of messaging services	6,670.15	3,407.47	3,253.70
	<b>6,670.15</b>	<b>3,407.47</b>	<b>3,253.70</b>
<b>31 Employee benefits expense</b>			
Salaries and wages (refer Annexure V, note 44 (II and III))	526.74	475.83	239.57
Contribution to provident fund and other funds (refer Annexure V, note 44 (I))	8.45	1.64	0.55
Staff welfare expense	19.28	27.10	19.52
	<b>554.47</b>	<b>504.57</b>	<b>259.64</b>

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<b>32 Finance costs</b>			
Interest on borrowings from banks	17.11	5.52	0.26
Interest on finance lease obligation	1.86	2.04	0.90
Interest on delayed payment of statutory dues	1.85	4.76	3.66
Interest on delayed payment of income taxes	0.04	0.69	1.75
Interest expenses on financial liability measured at amortised cost (refer Annexure V, note 45(d))	91.20	47.90	-
Other borrowing cost	1.52	2.42	0.11
	<b>113.58</b>	<b>63.33</b>	<b>6.68</b>
<b>33 Depreciation and amortisation expense</b>			
Depreciation and amortisation on property, plant and equipment (refer Annexure V, note 2)	63.95	64.33	48.84
Amortisation on intangible assets (refer Annexure V, note 4)	108.31	60.23	5.32
	<b>172.26</b>	<b>124.56</b>	<b>54.16</b>
<b>34 Other expenses</b>			
Power and fuel	17.26	15.86	4.26
Repairs and maintenance - Buildings	5.36	4.42	7.46
Repairs and maintenance - Others	12.30	17.84	11.15
Insurance	4.06	1.83	0.89
Rent (refer Annexure V, note 48)	68.21	84.99	51.74
Rates and taxes	1.22	10.75	7.54
Communication	41.19	38.25	14.67
Travelling and conveyance	30.31	52.51	38.94
Printing and stationery	2.29	1.85	2.06
Business promotion	37.06	34.91	34.40
Donations	0.01	0.27	0.14
Expenditure on Corporate Social Responsibility (refer Annexure V, note 52)	7.69	4.22	1.34
Legal and professional charges	61.64	42.87	39.83
Auditor's remuneration (refer note below)	6.62	3.79	3.72
Advances and trade receivable written off	3.54	22.86	22.84
Provision for doubtful debts and advances	1.91	4.34	1.13
Net loss on foreign currency transactions and translation	17.34	44.86	6.36
Loss on sale of property, plant and equipment	-	-	0.93
Bank charges	6.59	4.51	3.69
Membership and subscription	1.94	0.07	0.11
Sitting fees to directors	1.10	0.72	0.50
Cost of technical and other manpower	-	5.14	-
Miscellaneous expenses	30.99	25.85	4.97
	<b>358.63</b>	<b>422.71</b>	<b>258.67</b>

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<b>Note:</b>			
<b>Auditors' remuneration (excluding tax)</b>			
As auditor			
Statutory audit	5.15	3.15	3.62
Tax audit	-	-	0.10
In other capacity			
Other services*	1.40	7.43	-
Reimbursement of expenses*	0.07	0.13	-
	<b>6.62</b>	<b>10.71</b>	<b>3.72</b>

\* For the year ended March 31, 2018, includes ₹ 6.92 million paid towards assurance services in connection with the Initial Public Offering of equity shares of the Holding Company and disclosed as 'Unamortised share issue expenses' in Annexure V, note 15.

**35 Tax expense**

**Current tax expense**

Current tax	182.50	108.04	213.75
Foreign tax credit	(70.31)	-	-
Tax adjustment in respect of earlier years	-	1.36	0.94
<b>Total current tax expense</b>	<b>112.19</b>	<b>109.40</b>	<b>214.69</b>

**Deferred taxes**

Deferred tax expense/(credit)	(14.98)	(10.44)	(6.16)
<b>Net deferred tax expense/(credit)</b>	<b>(14.98)</b>	<b>(10.44)</b>	<b>(6.16)</b>
<b>Total income tax expense</b>	<b>97.21</b>	<b>98.96</b>	<b>208.53</b>

**35.1 Tax reconciliation (for profit and loss)**

<b>Profit before income tax expense</b>	654.68	572.21	815.47
Tax rate	29.12%	34.61%	34.61%
Tax expense at above tax rate	190.64	198.03	282.22
<b>Tax effects of amounts which are not deductible (taxable) in calculating taxable income</b>			
Expenses permanently disallowed	1.83	1.40	4.38
Depreciation on assets not qualifying for tax allowances	-	0.97	0.31
Amortisation on assets not qualifying for tax allowances	29.95	9.31	-
Effect of difference between Indian and foreign tax rates	(0.76)	(16.08)	(3.11)
Foreign tax credit	(70.31)	-	-
Dividend income taxed at special rate*	-	-	60.39
Tax adjustment in respect of earlier years	(0.79)	1.36	0.94
Effect of difference between Indian and non taxable subsidiaries	(69.63)	(120.26)	(132.45)
Effect of difference between Indian and subsidiaries incurring losses	18.60	19.64	0.56
Change in tax rates	(0.78)	3.92	-
Others	(1.54)	0.67	(4.71)
<b>Income tax expense</b>	<b>97.21</b>	<b>98.96</b>	<b>208.53</b>

\*Dividend income eliminated at consolidation

The tax rate used for reconciliation above is the corporate tax rate payable by Holding Company in India on taxable profits under Indian tax laws.

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35.2 The movement in deferred tax assets and liabilities during the year ended March 31, 2017 and March 31, 2018 and March 31, 2019 are as follows:

	As at April 01, 2016 Deferred tax assets/(liabilities)	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	Exchange difference	As at March 31, 2017 Deferred tax assets/(liabilities)
Depreciation and amortisation	(3.50)	2.66	-	(0.61)	(1.45)
Provision for compensated absences	-	0.78	-	-	0.78
Provision for gratuity	3.59	1.11	(0.34)	-	4.36
Provision for expenses	0.52	1.22	-	-	1.74
Provision for doubtful debts and advances	4.04	0.39	-	-	4.43
<b>Total</b>	<b>4.65</b>	<b>6.16</b>	<b>(0.34)</b>	<b>(0.61)</b>	<b>9.86</b>

	As at April 01, 2017 Deferred tax assets/(liabilities)	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	Exchange difference	As at March 31, 2018 Deferred tax assets/(liabilities)
Depreciation and amortisation	(1.45)	4.73	-	0.24	3.52
Provision for compensated absences	0.78	0.27	-	-	1.05
Provision for gratuity	4.36	1.11	(0.08)	-	5.39
Provision for expenses	1.74	3.77	-	-	5.51
Provision for doubtful debts and advances	4.43	0.56	-	-	4.99
<b>Total</b>	<b>9.86</b>	<b>10.44</b>	<b>(0.08)</b>	<b>0.24</b>	<b>20.46</b>

	As at April 01, 2018 Deferred tax assets/(liabilities)	Credit/(charge) in statement of profit and loss	Credit/(charge) in other comprehensive income	Exchange difference	As at 31 March 2019 Deferred tax assets/(liabilities)
Depreciation and amortisation	3.52	2.98	-	0.01	6.51
Provision for compensated absences	1.05	(0.28)	-	-	0.77
Provision for gratuity	5.39	0.37	(0.56)	-	5.20
Provision for expenses	5.51	11.36	-	-	16.87
Provision for doubtful debts and advances	4.99	0.55	-	-	5.54
<b>Total</b>	<b>20.46</b>	<b>14.98</b>	<b>(0.56)</b>	<b>0.01</b>	<b>34.89</b>

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**36 Other comprehensive income**

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<b>Items that will be reclassified to profit or loss</b>			
Gains and losses arising from translating the financial statements of foreign operations	40.83	27.89	(44.29)
Income tax relating to this item	-	-	-
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans	1.91	0.29	0.97
Income tax relating to this item	(0.56)	(0.08)	(0.34)
	<b>42.18</b>	<b>28.10</b>	<b>(43.66)</b>

**37 Assets pledged as security**

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>Current assets</b>			
Fixed deposits lien by bank against working capital loan	655.85	754.47	150.00
Investments	106.66	-	-
Trade receivables	964.33	525.49	-
Other bank balances	52.63	36.36	-
Loans	320.53	259.76	-
Other current financial assets	29.37	29.00	-
Other current assets	56.03	50.93	-
	<b>2,185.40</b>	<b>1,656.01</b>	<b>150.00</b>
<b>Non current assets</b>			
Moveable fixed assets (furniture and office equipment)	14.47	18.60	-
Vehicle	12.67	11.96	-
Computers	50.66	66.34	36.88
Building	87.01	88.11	-
<b>Total non-current assets</b>	<b>164.81</b>	<b>185.01</b>	<b>36.88</b>
<b>Total assets pledged as security</b>	<b>2,350.21</b>	<b>1,841.02</b>	<b>186.88</b>

## 38 Fair value measurements

Financial instruments by category:

Particulars	March 31, 2019 FVTPL	March 31, 2019 Amortised cost	March 31, 2018 Amortised cost	March 31, 2017 Amortised cost	March 31, 2017 FVTPL
<b>Financial assets - Non-current</b>					
Other non-current financial assets	-	47.14	42.72	42.31	-
<b>Financial assets - Current</b>					
Investments	106.66	-	-	-	0.04
Trade receivables	-	1,447.07	972.92	333.26	-
Cash and cash equivalents	-	294.01	235.14	807.99	-
Other bank balances	-	662.53	790.83	301.37	-
Other current financial assets	-	95.82	41.78	21.50	-
<b>Financial liabilities - Non-current</b>					
Borrowings (including current maturities)	-	58.91	63.98	34.86	-
<b>Financial liabilities - Current</b>					
Borrowings	-	731.62	777.74	150.00	-
Trade payables	-	597.41	561.17	360.23	-
Other current financial liabilities	-	1,049.76	998.17	37.69	-

**I. Fair value hierarchy**

The fair values of the financial assets and liabilities are included at the amount 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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Ind AS. An explanation of each level follows below:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**II. Valuation techniques used to determine fair value**

Significant valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair values for Security deposits, loan to employees, fixed deposits and non-current borrowings are based on discounted cash flows using a discount rate determined considering the borrowing rate quotation received from the bank.

**III. Financial assets and liabilities measured at fair value - recurring fair value measurement:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Investment in Mutual funds	106.66	-	0.04

Fair value of the mutual funds are based on NAV at the reporting date.

Since the valuation of investment is done based on price available in the observable inputs, the investment is categorised as Level 2.

**IV. Assets and liabilities which are measured at amortised cost for which fair values are disclosed  
(It is categorised under Level 3 of fair value hierarchy)**

Particulars	March 31, 2019		March 31, 2018		March 31, 2017	
	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount
<b>Financial Assets - Non-current</b>						
Other financial assets						
- Security deposits	46.14	46.60	39.04	39.21	12.83	12.88
- Loan to employees (including current maturities)	1.71	1.71	0.80	0.89	0.95	1.12
Fixed deposits with bank having maturity of more than 12 months	0.10	0.10	0.10	0.10	28.34	28.34
<b>Financial Liabilities - Non-current</b>						
Borrowings (including current maturities)	58.70	58.91	60.84	63.98	33.71	34.86

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and bank balances, current investments, other current financial assets, trade payables, current borrowings and other current financial liabilities are considered to be approximately equal to their fair value.



**39 Financial risk management**

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit risk, liquidity risk and interest rate risk which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors of Holding Company. The focus of the Board of Directors is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Group.

The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the group's operations. The group's principal financial assets include current investments, trade and other receivables, and cash and bank balances and bank deposits that derive directly from its operations.

**A Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, cash and bank balances and bank deposits.

To manage credit risk, the group follows a policy of providing 30-90 days credit to the domestic customers. In case of foreign debtors, majority of the sales are made either against advance payments or on a credit period upto 30 days to reputed customers. The credit limit policy is established considering the current economic trends of the industry in which the group is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances and deposits are held with only high rated banks and majority of other security deposits are placed majorly with government agencies.

The table below provides details regarding past dues receivables as at each reporting date:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Upto 3 months	1,247.92	727.69	279.12
3 - 6 months	96.38	193.32	16.78
6 - 12 months	87.71	25.65	17.73
More than one year	31.45	40.74	32.44
<b>Total</b>	<b>1,463.46</b>	<b>987.40</b>	<b>346.07</b>
Provision for expected credit loss created	16.39	14.48	12.81

**B Liquidity risk**

Liquidity risk is the risk that the group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The group's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement.

The liquidity risk principally arises from obligations on account of following financial liabilities viz. borrowings, trade payables and other financial liabilities.

The group's corporate finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the group's financial liabilities based on contractual undiscounted payments at each reporting date:

**As at 31 March 2019**

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Non-Current</b>				
Borrowings (including current maturities)	17.00	16.80	43.62	77.42
<b>Financial Liabilities - Current</b>				
Borrowings	731.62	-	-	731.62
Trade payables	597.41	-	-	597.41
Other current financial liabilities	1,049.76	-	-	1,049.76
<b>Total</b>	<b>2,395.79</b>	<b>16.80</b>	<b>43.62</b>	<b>2,456.21</b>

## As at March 31, 2018

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Non-Current</b>				
Borrowings ( including current maturities)	15.30	25.16	45.74	86.20
<b>Financial Liabilities - Current</b>				
Borrowings	777.74	-	-	777.74
Trade payables	561.17	-	-	561.17
Other current financial liabilities	998.17	-	-	998.17
<b>Total</b>	<b>2,352.38</b>	<b>25.16</b>	<b>45.74</b>	<b>2,423.28</b>

## As at March 31, 2017

Particulars	Upto 1 year	Between 1 and 3 years	Beyond 3 years	Total
<b>Financial Liabilities - Non-Current</b>				
Borrowings ( including current maturities)	11.47	28.67	-	40.14
<b>Financial Liabilities - Current</b>				
Borrowings	150.00	-	-	150.00
Trade payables	360.23	-	-	360.23
Other current financial liabilities	37.69	-	-	37.69
<b>Total</b>	<b>559.39</b>	<b>28.67</b>	<b>-</b>	<b>588.06</b>

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**C Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**(i) Foreign currency risk**

The group operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales in overseas markets and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure on overseas sales is partly balanced by purchasing of services in the respective currencies.

Derivative instruments and unhedged foreign currency exposure

Particulars	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017	
Forward contracts to sell USD and buy Euro	Euro	0.50	-	-	-	-

The group's exposure to foreign currency risk at the end of reporting period are as under:

₹ in Million			
Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b>Financial liabilities</b>			
Trade Payables Euro	134.37	250.07	65.08
Trade Payables USD	39.74	167.43	123.42
Trade Payables AED	0.66	0.49	1.47
Trade Payables GBP	-	-	0.65
Trade Payables SGD	-	0.75	-
Trade Payables NPR	0.03	0.03	-
Trade Payables LKR	-	0.05	-
Trade Payables BDT	-	0.33	-
Trade Payables UGX	0.01	-	-
Borrowings USD	45.90	49.76	-
Borrowings Euro	542.96	701.84	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>763.67</b>	<b>1,170.75</b>	<b>190.62</b>
<b>Financial assets</b>			
Trade Receivable Euro	340.69	165.16	62.62
Trade Receivable USD	614.70	238.68	51.49
Bank Balance USD	712.06	633.73	-
Bank Balance GBP	5.55	-	-
Bank Balance SGD	0.06	-	-
Bank Balance Euro	16.47	0.78	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>1,689.53</b>	<b>1,038.35</b>	<b>114.11</b>
<b>Net exposure to foreign currency assets/(liabilities)</b>	<b>925.86</b>	<b>(132.40)</b>	<b>(76.51)</b>

**Sensitivity to foreign currency risk**

The following table demonstrates the sensitivity due to changes in EUR, USD, AED, SGD, NPR, LKR, BDT, UGX and GBP rates with all other variables held constant. The below impact on the group's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Currencies	₹ in Million					
	March 31, 2019		March 31, 2018		March 31, 2017	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
EUR	6.40	(6.40)	15.72	(15.72)	0.05	(0.05)
USD	(24.82)	24.82	(13.10)	13.10	1.44	(1.44)
AED	(0.01)	0.01	(0.01)	0.01	(0.03)	0.03
GBP	(0.11)	0.11	-	-	0.01	(0.01)
SGD	(0.00)	0.00	0.02	(0.02)	-	-
NPR	0.00	(0.00)	0.00	(0.00)	-	-
UGX	0.00	(0.00)	-	-	-	-
LKR	-	-	0.00	(0.00)	-	-
BDT	-	-	0.01	(0.01)	-	-

**(ii) Price risk**

The group is exposed to price risk from its investment in mutual funds classified in the balance sheet at fair value through profit and loss.

To manage its price risk arising from the investment, the Group has invested in the mutual fund after considering the risk and return profile of the mutual fund i.e. the debt profile of the mutual fund indicates that the debt has been provided to creditworthy banks and other institutional parties and equity investment is made after considering the performance of the stock.

**Sensitivity**

₹ in Million

Particulars	Impact on profit for the year ended March 31, 2019	Impact on profit for the year ended March 31, 2018	Impact on profit for the year ended March 31, 2017
Impact on profit before tax for 5% increase in NAV	5.33	-	0.00
Impact on profit before tax for 5% decrease in NAV	(5.33)	-	(0.00)

**(iii) Cash flow and fair value interest rate risk**

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest. The entity's exposure to the risk of changes in market interest rate relates primarily to the current borrowings with floating interest rate.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**Exposure to interest rate risk**

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Total Borrowings	791.18	842.06	184.97
% of Borrowings out of above bearing variable rate of interest	75.30%	91.26%	81.09%

**Interest rate sensitivity****A change of 50 bps in interest rates would have following Impact on profit before tax**

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
50 bps increase would decrease the profit before tax by	(0.43)	(0.21)	(0.01)
50 bps decrease would increase the profit before tax by	0.43	0.21	0.01

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information****(Amounts in ₹ million, unless otherwise stated)****40 Capital Management**

The Groups' objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders.

The amounts managed as capital by the Group are summarised below:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Borrowings#	791.18	842.06	184.97
Less: Cash and cash equivalents	(294.01)	(235.14)	(807.99)
Net debt	497.17	606.92	(623.02)
Equity	2,228.24	1,706.77	1,268.65
Gearing ratio (in times)	0.22	0.36	(0.49)

#Borrowings for the above purpose includes non-current borrowings, current borrowings, current maturities of non current borrowings and Interest accrued but not due on borrowings.

**Loan covenants**

In case of the variable rate borrowing facility availed by the Group, there are various financial covenants i.e. the externally imposed capital requirements, which are standard in nature; mainly relating to EBITDA margin, Current ratio and debt-equity ratio specified in the loan agreements. These covenants are monitored by the Group on a regular basis. There has been no default on the financial covenants or on the loans taken by the Group, outstanding as at March 31, 2019, March 31 2018 and March 31, 2017.

**Dividend:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b>Equity dividend</b>			
<b>Dividends not recognised at the end of the reporting period</b>			
The Board of directors of Holding Company have recommended the payment of a final dividend of ₹ 1.5 per fully paid equity share for the year ended March 31, 2019 (March 31, 2018: ₹ 1.50, March 31, 2017: ₹ 1.50). These proposed dividends have been subsequently approved by the shareholders in the respective Annual General Meetings held subsequent to the end of the respective reporting period.	75.00	75.00	75.00

**41 Statement of restatement adjustments**

A Summarised below are the adjustments made to the audited consolidated financial statements for the year ended March 31, 2019, March 31, 2018 and March 31, 2017 and their impact on the profit of the Group:

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017	Adjustment to opening reserve
<b>Total comprehensive income as per Consolidated Financial Statements</b>		<b>597.31</b>	<b>503.31</b>	<b>560.00</b>	
<b>Restatement adjustments:</b>					
Impact of Tax adjustment in respect of earlier years	Annexure V, note 41 A.1	-	0.38	2.43	(2.81)
Impact of Interest on delayed payment of service tax	Annexure V, note 41 A.1	2.34	(2.34)	0.85	(0.85)
<b>Other material adjustments:</b>					
Audit qualifications	Annexure V, note 41 A.2	-	-	-	-
Changes in accounting policies	Annexure V, note 41 A.3	-	-	-	-
<b>Total impact of adjustments</b>		<b>2.34</b>	<b>(1.96)</b>	<b>3.28</b>	<b>(3.66)</b>
<b>Total comprehensive income as per Restated Consolidated Statement of Profit and Loss</b>		<b>599.65</b>	<b>501.35</b>	<b>563.28</b>	

**A.1 Impact on account of tax related to earlier years**

In the audited financial statements for the years ended March 31, 2019, March 31, 2018 and March 31, 2017, tax (including interest on delayed payment) accounted for pertained to earlier years based on assessment by Income-tax authorities. For the purpose of this statement, such taxes have been appropriately adjusted in the respective financial years to which they relate.

**A.2 Impact of qualification in auditor's report: None****A.3 Change in accounting policies**

The Group has adopted the principles of Ind AS 115, "Revenue from Contracts with Customers" issued by the Ministry of Corporate Affairs. The change in accounting policy was considered retrospectively from April 1, 2016 for the purpose of the Restated Consolidated Summary Financial Information of the Group. Consequent to the adoption of the standard, there has been no impact in the Restated Consolidated Summary Financial Information.

**B Reconciliation of Other equity as per previous GAAP and Ind AS is as under:**

Particulars	Note	As at April 1, 2016
<b>Other equity as per previous GAAP</b>		505.71
<b>GAAP adjustments (Ind AS):</b>		
Impact of financial assets measured at amortised cost	Annexure V, note 41 B.1	(0.04)
Impact of straight lining of rent expenses	Annexure V, note 41 B.2	(0.78)
Impact on account of valuation of defined benefit obligations	Annexure V, note 41 B.3	0.42
Impact of deferred taxes on the above adjustments	Annexure V, note 41 B.4	(0.07)
<b>Total - GAAP adjustments</b>		<b>(0.47)</b>
<b>Other equity as per Consolidated Ind AS Financial Statements</b>		<b>505.24</b>

**Explanations to reconciliations:**

**B.1 Impact of financial assets measured at amortised cost**

**Previous GAAP** - The interest free rent deposits given to lessor / vendor are recorded at their gross transaction value.

**Ind AS** - Deposits given are financial assets and are initially recognised at fair value.

The difference between the fair value and transaction value of the deposits has been recognised as prepaid rent / prepaid expenses and amortised over tenor of the lease. Subsequently, the deposit will be measured at amortised cost resulting into recognition of finance income in the statement of profit and loss.

Consequent to this change, impact on equity is ₹ 0.04 million as at April 1, 2016.

**B.2 Impact of straight lining of rent expenses**

**Previous GAAP** - The rent expenses were recognised as per rate specified in the rent agreement.

**Ind AS** - Lease payments should be recognised as an expense in the Statement of profit and loss on a straight line basis over the lease term. However, if the escalation on operating lease is in line with the expected general inflation then lease expense should not be straight lined.

Consequent to this change, impact on equity is ₹ 0.78 million as at April 1, 2016.

**B.3 Impact on account of valuation of defined benefit obligations**

**Previous GAAP** - Employee benefits expense on defined benefit obligations was recognised in statement of profit and loss as per AS - 15.

**Ind AS** - Employee benefits expense on defined benefit obligations is recognised in statement of profit and loss as per projected unit credit method stated in Ind AS 19.

Consequent to this change, impact on equity is ₹ 0.42 million as at April 1, 2016.

**B.4 Impact on account of deferred taxes**

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred tax has impacted the equity.

Consequent to this change, impact on equity is ₹ 0.07 million as at April 1, 2016.

**C Material regroupings:**

Appropriate adjustments have been made in the restated consolidated statement of assets and liabilities, restated consolidated statement of profit and loss and restated consolidated statement of cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Group as at and for the year ended March 31, 2019, prepared in accordance with Schedule III of the Act and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended).

## D Emphasis of Matters

### (i) Financial year ended March 31, 2019:

a) We draw attention to the matter stated in Note 45(A)(iii) to the financial statements which indicates delays in receipt and payment of foreign currency receivables and payables from/to subsidiaries aggregating to ₹ 68.20 million and ₹ 133.38 million respectively as on March 31, 2019 beyond the timelines stipulated vide FED Master Direction No.16/2015-16 and FED Master Direction No. 17/2016-17 respectively, under the Foreign Exchange Management Act, 1999. The management of the Holding Company has filed necessary applications for condonation of delays and regularising these defaults with the appropriate authorities. The management of the Holding Company is of the view that the fine/penalties, if any, are currently unascertainable and accordingly, no provision has been recognised in the financial statements with respect to such fine/penalty. Our opinion is not modified in respect of this matter.

#### Management Note:

The outstanding balances in books of Holding Company as at March 31, 2019 includes trade payables aggregating ₹ 133.38 million and trade receivables aggregating ₹ 68.20 million, to/from subsidiaries situated outside India. These balances are pending for settlement and have resulted in delays in remittance of payments and receipts of receivables, beyond the timeline stipulated by the FED Master Direction No. 17/2016-17 and the FED Master Direction No. 16/2015-16 respectively, under the Foreign Exchange Management Act, 1999. The management of the Holding Company has filed necessary applications with the appropriate authority for condonation of delays for regularizing these defaults. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable and accordingly, the consolidated financial statements do not include any adjustments that may arise due to such fine/penalty.

The above emphasis of matter included in the auditors' report on the consolidated financial statements of the Route Mobile Limited as at and for the year ended March 31, 2019, do not require any adjustments to the Restated Ind AS Consolidated Financial Information.

b) We draw attention to Note 45(A)(i) of the financial statements wherein it is stated that the Holding Company has received a demand notice for service tax liability aggregating to ₹ 250.03 million (excluding interest and penalty) for the period from October 2011 to March 2016 and Show Cause cum Demand Notice aggregating to ₹ 25.47 million (excluding interest and penalty) for the period from April 2016 to June 2017 under the provisions of the Finance Act, 1994. Based on the legal opinion obtained, the management is of the view that the outcome of the appeal being filed with relevant appellate authorities in respect of aforementioned disputed dues will be in the favour of the Holding Company, and accordingly, no provision for liability has been recognised in the financial statements. Our opinion is not modified in respect of this matter.

#### Management Note:

The Service tax department ("department") had issued a Show Cause cum Demand Notice (SCDN) to the Company vide letter F No. DGCEI/MZU/I&IS'C/12(3)30/2016 dated April 21, 2017, based on the understanding that the Holding Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period, October 2011 to March 2016, amounted to ₹ 250.03 million excluding interest and penalty. The said matter was under dispute. The Commissioner of CGST, Mumbai has confirmed the demand vide his order dated June 27, 2018. The Holding Company has filed an appeal with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai (CESTAT) and paid an amount of ₹ 18.75 million under protest.

The Service tax department ("department") had issued a Show Cause cum Demand Notice (SCDN) to the Holding Company dated January 17, 2019, based on the understanding that the Holding Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period April 2016 to June 2017, amounted to ₹ 25.47 million excluding interest and penalty.

Based on grounds outlined in an independent legal opinion, the Management believes that the outcome will be in the favour of the Holding Company and accordingly no provision for liability has been recognised in the consolidated financial statements and the demand has been disclosed as contingent liability.

The above emphasis of matter included in the auditors' report on the consolidated financial statements of Route Mobile Limited as at and for the year ended March 31, 2019, do not require any adjustments to the Restated Ind AS Consolidated Financial Information.

### (ii) Financial year ended March 31, 2018:

We draw attention to Note 48(A)(i) of the financial statements wherein it is stated that the Holding Company has received a demand notice for service tax liability under the provisions of the Finance Act, 1994 aggregating to ₹ 250.03 million (excluding interest and penalty) for the period from October 2011 to March 2016. Based on the legal opinion obtained, the management is of the view that the outcome of the appeal being filed with relevant appellate authorities in respect of aforementioned disputed dues will be in the favour of the Holding Company, and accordingly, no provision for liability has been recognised in the financial statements. Our opinion is not modified in respect of this matter.

#### Management Note:

The Service tax department ("department") had issued a Show Cause cum Demand Notice (SCDN) to the Holding Company vide letter F No. DGCEI/MZU/I&IS'C/12(3)30/2016 dated April 21, 2017, based on the understanding that the Holding Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period, October 2011 to March 2016, amounted to ₹ 250.03 million excluding interest and penalty. The said matter was under dispute with Commissioner.

The Commissioner of CGST, Mumbai has confirmed the demand vide his order dated June 27, 2018.

The Holding Company is in process to file an appeal with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai (CESTAT) and paid an amount of ₹ 18.75 million under protest.

Based on grounds outlined in an independent legal opinion, the Management of the Holding Company believes that the outcome will be in the favour of the Holding Company and accordingly no provision for liability has been recognised in the consolidated financial statements and the demand has been disclosed as contingent liability.

The above emphasis of matter included in the auditors' report on the consolidated financial statements of Route Mobile Limited as at and for the year ended March 31, 2018, do not require any adjustments to the Restated Ind AS Consolidated Financial Information.



**E Non-adjusting items**

Modifications in the auditor's report and statements/comments included in the Annexures to the Audit Report for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 which do not require any corrective adjustments in the Restated Consolidated Financial Information are as follows:

**Route Mobile Limited****(i) Financial year ended March 31, 2019:**

a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there have been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

b) The dues in respect of income-tax, sales-tax, service tax, duty of customs, goods and services tax, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Service tax on purchases of messaging services	250.03	18.75	2011-12 to 2015-16 (Financial year)	Customs, Excise and Service Tax Appellate Tribunal	-
Finance Act, 1994	Service tax on purchases of messaging services	25.47	-	April 2016 to June 2017	-	The Company has submitted a response against the show cause cum demand notice issued by the Commissioner

**(ii) Financial year ended March 31, 2018:**

a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there have been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Service tax on purchases of messaging services	250.03	-	2011-12 to 2015-16 (Financial year)	Customs, Excise and Service Tax Appellate Tribunal	The Company is in the process of filing an appeal with Customs, Excise and Service Tax Appellate Tribunal.

**(iii) Financial year ended March 31, 2017:**

a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

**Statement of Disputed Dues**

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Service tax on purchases of messaging services	250.03	-	2011-12 to 2015-16 (Financial year)	-	The Company is in the process of responding to the show cause cum demand notice issued by Directorate General of Central Excise Intelligence (DGCEL).

## Related party transactions of Route Mobile Limited

42 Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

## a) Names of related parties and description of relationship:

Description of relationship	Names of related parties
(i) Subsidiaries	Sphere Edge Consulting (India) Private Limited Route Mobile (UK) Limited Routesms Solutions Nigeria Limited Routesms Solutions FZE Route Mobile Pte. Ltd. (with effect from October 17, 2016) Cellent Technologies (India) Private Limited (with effect from September 9, 2016) Start Corp India Private Limited (with effect from September 9, 2016) Call2Connect India Private Limited (with effect from April 1, 2017) Route Connect Private Limited (with effect from April 1, 2018)
(ii) Fellow subsidiaries (with whom transactions have taken place)	Defero Mobile Pte Limited (till January 31, 2018) Route Mobile Hong Kong Limited Route Mobile Limited (Ghana) (with effect from June 22, 2016) Route Mobile LLC (with effect from July 21, 2016) Route Mobile Inc. (with effect from July 6, 2017)
(iii) Key Management Personnel (KMP) (with whom transactions have taken place)	Rajdipkumar Gupta Sandipkumar Gupta Chandrakant Gupta Pratik Joshi, Chief Financial Officer (with effect from June 2, 2016 to November 6, 2017), Company Secretary (with effect from November 07, 2017 to January 11, 2019) Suresh Jankar, Chief Financial Officer (with effect from November 07, 2017) Gaurav Jhunjhunwala, Company Secretary (with effect from June 2, 2016 to November 06, 2017) Pratheek Agarwal (independent director till November 22, 2017) Bhavesh Jain (independent director till November 22, 2017) Sudha Navandar (independent director with effect from November 22, 2017) Ankit Paleja (independent director with effect from November 22, 2017) Ramachandran Sivathanu (independent director with effect from November 22, 2017) Rathindra Das, Company Secretary (with effect from January 11, 2019)
(iv) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	Graphixide Services Private Limited 29 Three Holidays Private Limited Spectrum Technologies Cobx Gaming Private Limited (with effect from March 9, 2017) Shrem Resort Private Limited (with effect from September 1, 2017) Chandrakant Gupta HUF Rajdipkumar Gupta HUF Sandipkumar Gupta HUF CC Gupta Family Trust Saraswati Devi Charitable Trust
(v) Relatives of KMP (with whom transactions have taken place)	Chamelidevi Gupta Sarika Gupta Sunita Gupta Tanvi Gupta

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

Related party transactions of Route Mobile Limited

b) Details of related party transactions for the period ended:

Particulars	Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of message services</u></b>												
Sphere Edge Consulting (India) Private Limited	117.23	106.52	582.65	-	-	-	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	-	-	1,207.80	99.23	101.80	-	-	-
Route Mobile (UK) Limited	1,072.95	298.29	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	232.35	98.46	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	7.70	7.78	-	-	-	-	-	-	-	-	-	-
Route Mobile LLC	4.20	1.68	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	1.62	0.50	-	-	-	-	-	-	-	-	-	-
Route Mobile Inc.	185.86	2.85	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	5.91	-	-	-	-	-	-	-	-	-	-	-
<b><u>Sale of message services</u></b>												
Start Corp India Private Limited	21.20	28.25	19.10	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	41.80	27.02	-	-	-	-	-	-	-	-	-	-
Route Mobile (UK) Limited	143.13	12.77	-	-	-	-	-	-	-	-	-	-
Route Mobile LLC	-	1.18	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	0.04	-	-	-	-	-	-	-	-	-	-	-
Call2Connect India Private Limited	11.32	-	-	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	-	0.04	-	-	-	-	-	-	-	-	-
<b><u>Business Promotion</u></b>												
Graphixide Services Private Limited	-	-	-	-	-	-	-	-	0.63	-	-	-
<b><u>Travelling and conveyance expense</u></b>												
29 Three Holidays Private Limited	-	-	-	-	-	-	18.67	19.34	13.26	-	-	-
<b><u>Professional services received</u></b>												
Call2Connect India Private Limited	9.00	-	-	-	-	-	-	-	-	-	-	-
<b><u>Technical and support services</u></b>												
Route Mobile (UK) Limited	54.73	52.32	23.97	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	9.94	20.42	13.80	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	26.88	148.24	73.64	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	1.80	6.64	6.71	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.83	1.64	-	-	-	-	-	-	-	-	-	-
Defero Mobile Pte Limited	-	-	1.81	-	-	-	-	-	-	-	-	-
<b><u>Balances written off</u></b>												
Defero Mobile Pte Limited	-	1.81	-	-	-	-	-	-	-	-	-	-
<b><u>Expenses reimbursed by other company</u></b>												
Route Mobile (UK) Limited	-	0.68	0.06	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	-	1.24	0.24	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	0.16	0.37	0.11	-	-	-	-	-	-	-	-	-
Start Corp India Private Limited	0.21	-	0.10	-	-	-	-	-	-	-	-	-
Call2Connect India Private Limited	-	0.01	-	-	-	-	-	-	-	-	-	-
Graphixide Services Private Limited	-	-	-	-	-	-	-	-	0.07	-	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

Related party transactions of Route Mobile Limited

b) Details of related party transactions for the period ended:

Particulars	Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Expenses reimbursed to other company/others</u></b>												
Call2Connect India Private Limited	-	0.08	-	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	0.13	-	-	-	-	-	-	-	-	-	-
Graphixide Services Private Limited	-	-	-	-	-	-	-	0.03	-	-	-	-
Route Mobile Hong Kong Limited	-	0.06	-	-	-	-	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	-	0.30	-	-	-	-	-	-	-
Route Mobile Inc.	0.72	-	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	0.21	-	0.70	-	-	-	-	-	-	-	-	-
Shrem Resort Private Limited	-	-	-	-	-	-	2.79	-	-	-	-	-
<b><u>Rental Income</u></b>												
29 Three Holidays Private Limited	-	-	-	-	-	-	0.12	0.12	0.03	-	-	-
Cellent Technologies (India) Private Limited	0.12	0.12	0.03	-	-	-	-	-	-	-	-	-
Start Corp India Private Limited	0.12	0.12	0.03	-	-	-	-	-	-	-	-	-
Call2Connect India Private Limited	-	1.68	-	-	-	-	-	-	-	-	-	-
<b><u>Rental Expense</u></b>												
Cobx Gaming Private Limited	-	-	-	-	-	-	-	2.16	-	-	-	-
<b><u>Investment in Subsidiary</u></b>												
Routesms Solutions FZE	-	-	0.69	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	-	112.74	-	-	-	-	-	-	-	-	-
Start Corp India Private Limited	-	-	20.00	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	-	-	1.24	-	-	-	-	-	-	-	-	-
Call2Connect India Private Limited	-	99.33	-	-	-	-	-	-	-	-	-	-
Route Connect Private Limited	0.07	-	-	-	-	-	-	-	-	-	-	-
<b><u>Advance given</u></b>												
Sandipkumar Gupta	-	-	-	-	-	12.01	-	-	-	-	-	-
Rajdipkumar Gupta	-	-	-	-	1.03	14.02	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	-	-	2.06	-	-	-	-	-	-	-	-	-
<b><u>Receipt of advance given</u></b>												
Rajdipkumar Gupta	-	-	-	-	1.03	-	-	-	-	-	-	-
<b><u>Refund of advance towards purchase of Flat</u></b>												
Rajdipkumar Gupta	-	-	-	-	14.02	-	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	-	12.01	-	-	-	-	-	-	-
<b><u>Loans given to related party</u></b>												
Call2Connect India Private Limited	82.13	206.23	-	-	-	-	-	-	-	-	-	-
Route Mobile (UK) Limited	-	156.05	-	-	-	-	-	-	-	-	-	-
Route Connect Private Limited	2.50	-	-	-	-	-	-	-	-	-	-	-
<b><u>Amount received on behalf of others</u></b>												
Route Mobile Limited (Ghana)	5.44	1.33	-	-	-	-	-	-	-	-	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

Related party transactions of Route Mobile Limited

b) Details of related party transactions for the period ended:

Particulars	Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Interest Income on Loan</u></b>												
Route Mobile (UK) Limited	4.28	1.45	-	-	-	-	-	-	-	-	-	-
Call2Connect India Private Limited	9.80	8.37	-	-	-	-	-	-	-	-	-	-
<b><u>Loan repaid by related party</u></b>												
Call2Connect India Private Limited	17.95	107.70	-	-	-	-	-	-	-	-	-	-
<b><u>Interest paid by related party</u></b>												
Call2Connect India Private Limited	15.45	-	-	-	-	-	-	-	-	-	-	-
<b><u>Remuneration to Directors*</u></b>												
Rajdipkumar Gupta	-	-	-	4.50	9.20	14.60	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	-	-	14.60	-	-	-	-	-	-
<b><u>Remuneration to KMP*</u></b>												
Pratik Joshi	-	-	-	0.69	0.68	0.57	-	-	-	-	-	-
Gaurav Jhunjhunwala	-	-	-	-	0.36	0.55	-	-	-	-	-	-
Chandrakant Gupta	-	-	-	-	0.45	0.45	-	-	-	-	-	-
Suresh Jankar	-	-	-	5.03	1.60	-	-	-	-	-	-	-
Rathindra Das	-	-	-	0.61	-	-	-	-	-	-	-	-
<b><u>Directors Sitting fees</u></b>												
Chamelidevi Gupta	-	-	-	-	-	-	-	-	-	-	0.05	0.06
Sandipkumar Gupta	-	-	-	0.32	0.16	-	-	-	-	-	-	-
Chandrakant Gupta	-	-	-	0.18	0.08	-	-	-	-	-	-	-
Pratheek Agarwal	-	-	-	-	0.06	0.06	-	-	-	-	-	0.06
Bhavesh Jain	-	-	-	-	0.06	0.06	-	-	-	-	-	0.06
Ankit Paleja	-	-	-	0.15	0.08	-	-	-	-	-	-	-
Ramachandran Sivathanu	-	-	-	0.25	0.13	-	-	-	-	-	-	-
Sudha Navandar	-	-	-	0.20	0.10	-	-	-	-	-	-	-
<b><u>Loans taken from related parties</u></b>												
Rajdipkumar Gupta	-	-	-	-	32.10	-	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	-	9.40	-	-	-	-	-	-	-
Chandrakant Gupta	-	-	-	-	7.50	-	-	-	-	-	-	-
Chamelidevi Gupta	-	-	-	-	-	-	-	-	-	-	7.50	-
Sarika Gupta	-	-	-	-	-	-	-	-	-	-	6.75	-
Sunita Gupta	-	-	-	-	-	-	-	-	-	-	4.25	-

\*Gratuity liability and compensated absences are determined for the Company as a whole. Therefore, the same cannot be disclosed for the key managerial personnel separately.

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

Related party transactions of Route Mobile Limited

b) Details of related party transactions for the period ended:

Particulars	Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Loans repaid to related parties</u></b>												
Rajdipkumar Gupta	-	-	-	4.88	27.22	-	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	4.40	5.00	-	-	-	-	-	-	-
Chandrakant Gupta	-	-	-	-	7.50	-	-	-	-	-	-	-
Chamelidevi Gupta	-	-	-	-	-	-	-	-	-	-	7.50	-
Sarika Gupta	-	-	-	-	-	-	-	-	-	-	6.75	-
Sunita Gupta	-	-	-	-	-	-	-	-	-	-	4.25	-
<b><u>Provision for doubtful debts</u></b>												
Graphixide Services Private Limited	-	-	-	-	-	-	-	2.67	-	-	-	-
<b><u>Dividend Paid</u></b>												
Sandipkumar Gupta	-	-	-	21.60	22.50	-	-	-	-	-	-	-
Rajdipkumar Gupta	-	-	-	21.60	22.50	-	-	-	-	-	-	-
Chandrakant Gupta	-	-	-	3.45	7.50	-	-	-	-	-	-	-
Chamelidevi Gupta	-	-	-	-	-	-	-	-	-	3.45	7.50	-
Sunita Gupta	-	-	-	-	-	-	-	-	-	6.48	6.75	-
Sarika Gupta	-	-	-	-	-	-	-	-	-	6.48	6.75	-
Chandrakant Gupta HUF	-	-	-	-	-	-	0.54	0.58	-	-	-	-
Rajdipkumar Gupta HUF	-	-	-	-	-	-	0.45	0.46	-	-	-	-
Sandipkumar Gupta HUF	-	-	-	-	-	-	0.45	0.46	-	-	-	-
CC Gupta Family Trust	-	-	-	-	-	-	7.50	-	-	-	-	-
<b><u>Issue of bonus shares</u></b>												
Sandipkumar Gupta	-	-	-	-	-	90.00	-	-	-	-	-	-
Rajdipkumar Gupta	-	-	-	-	-	90.00	-	-	-	-	-	-
Chandrakant Gupta	-	-	-	-	-	30.00	-	-	-	-	-	-
Chamelidevi Gupta	-	-	-	-	-	-	-	-	-	-	-	30.00
Sunita Gupta	-	-	-	-	-	-	-	-	-	-	-	27.00
Sarika Gupta	-	-	-	-	-	-	-	-	-	-	-	27.00
Chandrakant Gupta HUF	-	-	-	-	-	-	-	-	2.24	-	-	-
Rajdipkumar Gupta HUF	-	-	-	-	-	-	-	-	1.88	-	-	-
Sandipkumar Gupta HUF	-	-	-	-	-	-	-	-	1.88	-	-	-
<b><u>Salaries, wages and bonus</u></b>												
Sarika Gupta	-	-	-	-	-	-	-	-	-	-	-	0.40
Sunita Gupta	-	-	-	-	-	-	-	-	-	-	-	0.40
Tanvi Gupta	-	-	-	-	-	-	-	-	-	-	-	0.40
<b><u>Dividend received</u></b>												
Routesms Solutions FZE	-	-	355.40	-	-	-	-	-	-	-	-	-
<b><u>Server Charges</u></b>												
Route Mobile (UK) Limited	0.33	0.52	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	0.90	0.81	-	-	-	-	-	-	-	-	-	-
<b><u>Corporate social responsibility expenses</u></b>												
Saraswati Devi Charitable Trust	-	-	-	-	-	-	2.50	-	-	-	-	-
<b><u>Staff welfare expenses</u></b>												
Shrem Resort Private Limited	-	-	-	-	-	-	-	1.50	-	-	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')  
Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

Related party transactions of Route Mobile Limited

c) Balances outstanding at the end of the year:

Particulars	Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b>Trade receivable</b>												
Route Mobile (UK) Limited	218.23	52.36	24.05	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	27.33	28.61	19.54	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	-	16.56	9.85	-	-	-	-	-	-	-	-	-
Defero Mobile Pte Limited	-	-	1.81	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	63.24	54.72	0.85	-	-	-	-	-	-	-	-	-
Start Corp India Private Limited	-	-	3.25	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.83	1.64	-	-	-	-	-	-	-	-	-	-
Call2Connect India Private Limited	11.15	-	-	-	-	-	-	-	-	-	-	-
29 Three Holidays Private Limited	-	-	-	-	-	-	0.07	0.22	-	-	-	-
<b>Other receivable</b>												
Call2Connect India Private Limited	1.20	1.32	-	-	-	-	-	-	-	-	-	-
29 Three Holidays Private Limited	-	-	-	-	-	-	0.17	0.10	0.03	-	-	-
Shrem Resort Private Limited	-	-	-	-	-	-	2.79	-	-	-	-	-
Start Corp India Private Limited	0.01	0.05	-	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	0.05	0.07	-	-	-	-	-	-	-	-	-
<b>Amount payable</b>												
29 Three Holidays Private Limited	-	-	-	-	-	-	-	-	1.39	-	-	-
Sphere Edge Consulting (India) Private Limited	57.66	65.10	-	-	-	-	-	-	-	-	-	-
Spectrum Technologies	-	-	-	-	-	-	7.16	2.23	-	-	-	-
Shrem Resort Private Limited	-	-	-	-	-	-	0.92	0.92	-	-	-	-
Routesms Solutions FZE	80.87	32.39	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	15.54	7.76	-	-	-	-	-	-	-	-	-	-
Route Mobile (UK) Limited	658.66	201.63	-	-	-	-	-	-	-	-	-	-
Route Mobile LLC	0.19	0.50	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	0.03	0.49	-	-	-	-	-	-	-	-	-	-
Route Mobile Inc	19.38	2.85	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	6.50	1.33	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	4.72	-	-	-	-	-	-	-	-	-	-	-
<b>Loan payable</b>												
Rajdipkumar Gupta	-	-	-	-	4.88	-	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	-	4.40	-	-	-	-	-	-	-
<b>Loan receivable</b>												
Call2Connect India Private Limited	162.71	98.53	-	-	-	-	-	-	-	-	-	-
Route Mobile (UK) Limited	155.32	161.23	-	-	-	-	-	-	-	-	-	-
Route Connect Private Limited	2.50	-	-	-	-	-	-	-	-	-	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')  
Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

Related party transactions of Route Mobile Limited

c) Balances outstanding at the end of the year:

Particulars	Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b>Interest receivable</b>												
Call2Connect India Private Limited	0.90	7.53	-	-	-	-	-	-	-	-	-	-
Route Mobile (UK) Limited	5.51	1.46	-	-	-	-	-	-	-	-	-	-
<b>Advances receivable</b>												
Rajdipkumar Gupta	-	-	-	-	-	14.02	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	-	-	12.01	-	-	-	-	-	-
Graphixide Services Private Limited	-	-	-	-	-	-	2.67	2.67	2.67	-	-	-
29 Three Holidays Private Limited	-	-	-	-	-	-	0.81	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	-	-	2.07	-	-	-	-	-	-	-	-	-
<b>Security deposit payable</b>												
Cellent Technologies (India) Private Limited	0.03	0.03	0.03	-	-	-	-	-	-	-	-	-
Start Corp India Private Limited	0.03	0.03	0.03	-	-	-	-	-	-	-	-	-
29 Three Holidays Private Limited	-	-	-	-	-	-	0.03	0.03	0.03	-	-	-
<b>Advances from customers</b>												
Start Corp India Private Limited	1.47	1.78	-	-	-	-	-	-	-	-	-	-
<b>Sitting fees payable</b>												
Chamelidevi Gupta	-	-	-	-	-	-	-	-	-	-	-	0.04

Reference is invited to personal guarantee of directors (Rajdipkumar Gupta, Sandipkumar Gupta and Chandrakant Gupta) for working capital loan availed from Yes Bank Limited under Annexure V, note 22.

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except where indicated and settlement occurs vide cash/bank payment. There have been no guarantees received or provided for any related party receivables or payables. The Company has recorded impairment of receivables/advances of Nil relating to amounts owed by related parties (Year ended March 31, 2018 : ₹ 44.80 lakhs, March 31, 2017 : Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Call2Connect India Private Limited (with effect from April 1, 2017)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Key Management Personnel (KMP)	Rajdipkumar Gupta Sandipkumar Gupta Aneel K Sinha
(iii) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	Sphere Edge Consulting (India) Private Limited 29 Three Holidays Private Limited Route Connect Private Limited (with effect from April 2, 2018) Cellent Technologies (India) Private Limited (with effect from September 9, 2016)
(iv) Relatives of Key Management Personnel (KMP) (with whom transactions have taken place)	Chandrakant Gupta Poonam Sinha Shruti Sinha

**b) Details of related party transactions for the period ended:**

Particulars	Holding Company		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b><u>Travelling and conveyance expense</u></b>								
Anil Kumar Sinha	-	-	0.04	-	-	-	-	-
29 Three Holidays Private Limited	-	-	-	-	1.68	1.10	-	-
<b><u>Expenses reimbursed by other company</u></b>								
Route Mobile Limited	-	0.08	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	-	-	-	0.04	-	-	-
<b><u>Expenses reimbursed to other company</u></b>								
Route Mobile Limited	-	0.01	-	-	-	-	-	-
Route Connect Private Limited	-	-	-	-	11.47	-	-	-
<b><u>Purchase of message services</u></b>								
Route Mobile Limited	11.32	-	-	-	-	-	-	-
<b><u>Sale of message services</u></b>								
Route Mobile Limited	9.00	-	-	-	-	-	-	-
<b><u>Rental expense</u></b>								
Route Mobile Limited	-	1.68	-	-	-	-	-	-
<b><u>Remuneration to Directors</u></b>								
Anil Kumar Sinha	-	-	6.00	2.50	-	-	-	-
Shruti Sinha	-	-	-	-	-	-	-	0.08

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Call2Connect India Private Limited (with effect from April 1, 2017)

Details of related party transactions for the period ended:

Particulars	Holding Company		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b><u>Professional Fees to Directors</u></b>								
Anil Kumar Sinha	-	-	-	1.00	-	-	-	-
<b><u>Loans taken from related parties</u></b>								
Route Mobile Limited	82.13	206.23	-	-	-	-	-	-
Anil K Sinha	-	-	0.30	-	-	-	-	-
Poonam Sinha	-	-	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	-	-	-	-	-	7.00	-	-
<b><u>Loan repaid to related party</u></b>								
Route Mobile Limited	17.95	107.70	-	-	-	-	-	-
Anil K Sinha	-	-	0.30	7.78	-	-	-	-
Poonam Sinha	-	-	-	-	-	-	-	5.49
Sphere Edge Consulting (India) Private Limited	-	-	-	-	7.00	-	-	-
<b><u>Interest expenses paid</u></b>								
Route Mobile Limited	15.45	-	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	-	-	-	-	0.14	-	-	-
<b><u>Interest expenses on loan</u></b>								
Sphere Edge Consulting (India) Private Limited	-	-	-	-	-	0.14	-	-
Route Mobile Limited	9.80	8.37	-	-	-	-	-	-

c) Balances outstanding at the end of the year:

Particulars	Holding Company		Key Management Personnel (KMP)		Entities in which KMP/relatives of KMP exercise significant influence		Relatives of KMP	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b><u>Amount receivable</u></b>								
Route Connect Private Limited	-	-	-	-	11.47	-	-	-
<b><u>Amount payable</u></b>								
29 Three Holidays Private Limited	-	-	-	-	0.48	0.64	-	-
Route Mobile Limited	12.35	1.32	-	-	-	-	-	-
Anil K Sinha	-	-	0.43	0.45	-	-	-	-
<b><u>Interest payable</u></b>								
Route Mobile Limited	0.90	7.53	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	-	-	-	-	-	0.14	-	-
<b><u>Loan payable</u></b>								
Sphere Edge Consulting (India) Private Limited	-	-	-	-	-	7.00	-	-
Route Mobile Limited	162.71	98.53	-	-	-	-	-	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Connect Private Limited (with effect from April 2, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	Call2Connect India Private Limited
(iii) Key Management Personnel (KMP)	Chandrakant Gupta Sandipkumar Gupta Rajdipkumar Gupta

**b) Details of related party transactions for the period ended:**

Particulars	Holding Company	Key Management Personnel (KMP)	Entities in which KMP/relatives of KMP exercise significant influence
	March 31, 2019	March 31, 2019	March 31, 2019
<b><u>Travelling and conveyance expense</u></b>			
29 Three Holidays Private Limited	-	-	0.42
<b><u>Loan taken from related parties</u></b>			
Route Mobile Limited	2.50	-	-
<b><u>Expenses reimbursed by other company</u></b>			
Call2Connect India Private Limited	-	-	11.47

**c) Balances outstanding at the end of year:**

Particulars	Holding Company	Key Management Personnel (KMP)	Entities in which KMP/relatives of KMP exercise significant influence
	March 31, 2019	March 31, 2019	March 31, 2019
<b><u>Loan payable</u></b>			
Route Mobile Limited	2.50	-	-
<b><u>Amount payable</u></b>			
Call2Connect India Private Limited	-	-	11.47

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')  
Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Cellent Technologies (India) Private Limited (with effect from September 9, 2016)

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

a) Names of related parties and description of relationship:

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Key Management Personnel (KMP)	Rajdipkumar Gupta Sandipkumar Gupta Chandrakant Gupta
(iii) Entities in which KMP/relatives of KMP can exercise significant influence	Route Mobile (UK) Limited Routesms Solutions FZE Start Corp India Private Limited (with effect from September 9, 2016) Sphere Edge Consulting (India) Private Limited Call2Connect India Private Limited (with effect from April 1, 2017)

b) Details of related party transactions for the period ended:

Particulars	Holding Company			Entities in which KMP/relatives of KMP exercise significant influence		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of message services</u></b>						
Route Mobile Limited	-	-	0.04	-	-	-
Start Corp India Private Limited	-	-	-	0.08	0.10	0.73
Route Mobile (UK) Limited	-	-	-	30.92	8.96	15.65
Routesms Solutions FZE	-	-	-	-	62.68	22.00
<b><u>Sale of message services</u></b>						
Start Corp India Private Limited	-	-	-	-	-	0.18
<b><u>Rental expense</u></b>						
Route Mobile Limited	0.12	0.12	0.03	-	-	-
<b><u>Other Expenses</u></b>						
Routesms Solutions FZE	-	-	-	0.27	-	-
<b><u>Expenses reimbursed to related company</u></b>						
Routesms Solutions FZE	-	-	-	-	4.89	14.23
Route Mobile Limited	0.16	0.37	0.11	-	-	-
Route Mobile (UK) Limited	-	-	-	0.11	-	-
Sphere Edge Consulting (India) Private Limited	-	-	-	0.01	0.01	-
Call2Connect India Private Limited	-	-	-	0.04	-	-
Start Corp India Private Limited	-	-	-	0.38	0.01	-
<b><u>Expenses reimbursed by related company</u></b>						
Route Mobile Limited	-	0.13	-	-	-	-
<b><u>Loans and Advances taken from related party</u></b>						
Sphere Edge Consulting (India) Private Limited	-	-	-	-	25.00	-
<b><u>Loans and advances paid</u></b>						
Sphere Edge Consulting (India) Private Limited	-	-	-	-	25.00	-
<b><u>Receipt of loan and advance</u></b>						
Start Corp India Private Limited	-	-	-	-	-	4.30

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Cellent Technologies (India) Private Limited (with effect from September 9, 2016)

c) Balances outstanding at the end of the year:

Particulars	Holding Company			Entities in which KMP/relatives of KMP exercise significant influence		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Amount receivable</u></b>						
Route Mobile (UK) Limited	-	-	-	-	13.64	-
Start Corp India Private Limited	-	-	-	0.04	-	-
Route Mobile Limited	0.03	0.03	0.03			
<b><u>Amount payable</u></b>						
Routesms Solutions FZE	-	-	-	-	9.69	26.16
Start Corp India Private Limited	-	-	-	-	-	0.01
Route Mobile (UK) Limited	-	-	-	5.92	-	0.25
Route Mobile Limited		0.05	0.07			

**42 Related party transactions of Start Corp India Private Limited (with effect from September 9, 2016)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Key Management Personnel (KMP)	Rajdipkumar Gupta Sandipkumar Gupta Chandrakant Gupta
(iii) Entities in which KMP can exercise significant influence	Cellent Technologies (India) Private Limited (with effect from September 9, 2016) Sphere Edge Consulting (India) Private Limited

**b) Details of related party transactions for the period ended:**

Particulars	Holding Company			Key Management Personnel (KMP)			Entities in which KMP can exercise significant influence		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of message services</u></b>									
Route Mobile Limited	21.20	28.25	19.10	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	-	-	0.18
<b><u>Sale of message services</u></b>									
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	0.08	0.10	0.73
<b><u>Rent paid</u></b>									
Route Mobile Limited	0.12	0.12	0.03	-	-	-	-	-	-
<b><u>Reimbursement expenses</u></b>									
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	0.38	0.01	-
Route Mobile Limited	0.21	-	0.10	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	-	-	-	-	-	-	0.03	-	-
<b><u>Loan and advance paid</u></b>									
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	-	-	4.30

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Start Corp India Private Limited (with effect from September 9, 2016)

c) Balances outstanding at the end of the year:

Particulars	Holding Company			Key Management Personnel (KMP)			Entities in which KMP can exercise significant influence		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Amount receivable</u></b>									
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	-	-	0.01
Route Mobile Limited	1.47	1.78	-	-	-	-	-	-	-
Sphere Edge Consulting (India) Private Limited	-	-	-	-	-	-	0.03	-	-
<b><u>Amount payable</u></b>									
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	0.04	-	-
Route Mobile Limited	-	-	3.25	-	-	-	-	-	-
<b><u>Deposit</u></b>									
Route Mobile Limited	0.03	0.03	0.03	-	-	-	-	-	-

**42 Related party transactions of Sphere Edge Consulting (India) Private Limited**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Key Management Personnel (KMP)	Chandrakant Gupta Sandipkumar Gupta Rajdipkumar Gupta
(iii) Entities in which KMP/relatives of KMP can exercise significant influence	Call2Connect India Private Limited (with effect from April 1, 2017) Cellent Technologies (India) Private Limited (with effect from September 9, 2016) Start Corp India Private Limited (with effect from September 9, 2016)
(iv) Relatives of Key Management Personnel (KMP)	Sarika Gupta Sunita Gupta Tanvi Gupta

**b) Details of related party transactions for the period ended:**

Particulars	Holding Company			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of Key Management Personnel (KMP)		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Sale of message services</u></b>												
Route Mobile Limited	117.23	106.52	582.65	-	-	-	-	-	-	-	-	-
<b><u>Loans and advances from related party</u></b>												
Route Mobile Limited	-	-	2.06	-	-	-	-	-	-	-	-	-
<b><u>Loans and advances given to related party</u></b>												
Call2Connect India Private Limited	-	-	-	-	-	-	-	7.00	-	-	-	-
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	-	25.00	-	-	-	-
Shrem Resort Private Limited	-	-	-	-	-	-	2.50	50.10	-	-	-	-
<b><u>Receipt of loan and advances given to related party</u></b>												
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	-	25.00	-	-	-	-
Call2Connect India Private Limited	-	-	-	-	-	-	7.00	-	-	-	-	-
Shrem Resort Private Limited	-	-	-	-	-	-	2.50	50.10	-	-	-	-
<b><u>Receipt of interest given to related party</u></b>												
Call2Connect India Private Limited	-	-	-	-	-	-	0.14	-	-	-	-	-
<b><u>Interest income on loan</u></b>												
Call2Connect India Private Limited	-	-	-	-	-	-	-	0.14	-	-	-	-
<b><u>Expenses reimbursed by other company</u></b>												
Cellent Technologies (India) Private Limited	-	-	-	-	-	-	0.01	0.01	-	-	-	-
Start Corp India Private Limited	-	-	-	-	-	-	0.03	-	-	-	-	-
<b><u>Salaries and wages</u></b>												
Sarika Gupta	-	-	-	-	-	-	-	-	-	0.90	0.90	0.90
Sunita Gupta	-	-	-	-	-	-	-	-	-	0.90	0.90	0.90
Tanvi Gupta	-	-	-	-	-	-	-	-	-	0.60	0.55	-



Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Sphere Edge Consulting (India) Private Limited

c) Balances outstanding at the end of the year:

Particulars	Holding Company			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise			Relatives of Key Management Personnel (KMP)		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Amount payable</u></b>												
Route Mobile Limited	-	-	2.07	-	-	-	-	-	-	-	-	-
Start Corp India Private Limited	-	-	-	-	-	-	0.03	-	-	-	-	-
<b><u>Amount receivable</u></b>												
Route Mobile Limited	57.66	65.10	-	-	-	-	-	-	-	-	-	-
<b><u>Interest receivable</u></b>												
Call2Connect India Private Limited	-	-	-	-	-	-	-	0.14	-	-	-	-
<b><u>Loan receivable</u></b>												
Call2Connect India Private Limited	-	-	-	-	-	-	-	7.00	-	-	-	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Routesms Solutions FZE**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Subsidiaries	Route Mobile LLC (with effect from July 21, 2016)
(iii) Fellow subsidiaries (with whom transactions have taken place)	Route Mobile Inc. (with effect from July 06, 2017) Route Mobile (UK) Limited Routesms Solutions Nigeria Limited Route Mobile Pte. Ltd. (with effect from October 17, 2016) Route Mobile Limited (Ghana) (with effect from June 22, 2016) Cellent Technologies (India) Private Limited (with effect from September 9, 2016) Defero Mobile Pte Limited (till January 31, 2018)
(iv) Key Management Personnel (KMP) (with whom transactions have taken place)	Rajdipkumar Gupta Sandipkumar Gupta
(v) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	29 Three Holidays Private Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Sale of message services</u></b>			
Route Mobile (UK) Limited	304.74	94.30	-
Route Mobile Inc	14.83	50.27	-
Route Mobile Limited	221.51	98.03	-
Routesms Solutions Nigeria Limited	0.62	25.14	-
Route Mobile LLC	175.53	47.47	-
Route Mobile Pte. Ltd.	28.26	-	-
Cellent Technologies (India) Private Limited	-	68.28	21.56
Defero Mobile Pte Limited	-	0.05	0.71
<b><u>Purchase of message services</u></b>			
Route Mobile Limited	39.49	27.17	-
Route Mobile Limited (Ghana)	1.11	4.57	-
Route Mobile (UK) Limited	234.59	311.32	-
Route Mobile Inc	0.29	-	-
Routesms Solutions Nigeria Limited	2.32	55.37	-
Route Mobile LLC	0.19	14.82	-
Defero Mobile Pte Limited	-	0.07	6.64
<b><u>Server charges</u></b>			
Route Mobile Limited	0.88	0.81	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Routesms Solutions FZE

b) Details of related party transactions for the period ended:

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Loans given</u></b>			
Route Mobile Inc	9.18	1.33	-
Route Hong Kong Limited	-	8.46	-
Route Mobile (UK) Limited	-	679.08	0.24
Route Mobile Pte. Ltd.	6.16	13.46	-
<b><u>Receipt of loan given</u></b>			
Route Hong Kong Limited	-	1.99	-
<b><u>Advance given</u></b>			
Route Mobile LLC	2.69	70.31	-
<b><u>Receipt of advance given</u></b>			
Route Mobile LLC	51.94	39.25	-
<b><u>Travelling and conveyance expense</u></b>			
29 Three Holidays Private Limited	0.06	2.98	8.29
<b><u>Technical and support services Received</u></b>			
Route Mobile Limited	26.05	148.60	73.25
<b><u>Balances written off</u></b>			
Defero Mobile Pte Limited	-	6.51	-
<b><u>Other expenses</u></b>			
Defero Mobile Pte Limited	-	0.18	-
<b><u>Other income</u></b>			
Cellent Technologies (India) Private Limited	0.27	-	-
Route Mobile Limited	1.31	0.81	-
<b><u>Investment in subsidiary</u></b>			
Route Mobile LLC	-	2.60	-
<b><u>Expenses reimbursed by other company</u></b>			
Route Mobile Limited	0.21	-	0.70
Cellent Technologies (India) Private Limited	-	4.89	14.23
<b><u>Expenses reimbursed to other company</u></b>			
Route Mobile Limited	-	1.24	0.24
Route Mobile Uganda Limited	0.02	-	-
Route Mobile (UK) Limited	0.44	-	-
<b><u>Interest income on loan</u></b>			
Route Mobile (UK) Limited	15.56	5.82	-
<b><u>Remuneration to Directors</u></b>			
Sandipkumar Gupta	16.14	15.60	15.75
<b><u>Dividend paid</u></b>			
Route Mobile Limited	-	-	350.43

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Routesms Solutions FZE**

**c) Balances outstanding at the end of the year:**

<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
<b><u>Amount receivable</u></b>			
Cellent Technologies (India) Private Limited	-	9.70	26.16
Route Mobile (UK) Limited	242.00	-	-
Routesms Solutions Nigeria Limited	0.12	11.95	-
Route Mobile Inc	-	50.40	-
Route Mobile Limited	81.10	31.99	-
Route Mobile LLC	127.72	-	-
Route Mobile Pte. Ltd.	14.94	-	-
<b><u>Amount payable</u></b>			
Route Mobile Limited	63.17	55.11	0.85
Routesms Solutions Nigeria Limited	0.43	0.24	-
Route Mobile (UK) Limited	116.51	15.54	-
Route Mobile Limited (Ghana)	-	4.59	-
Route Mobile Hong Kong Limited	-	-	0.06
<b><u>Loan receivable</u></b>			
Route Mobile (UK) Limited	667.36	650.70	0.24
Route Mobile Inc	10.59	1.34	-
Route Mobile Limited (Ghana)	0.10	-	-
Route Mobile LLC	25.40	71.08	41.14
Route Mobile Uganda Limited	0.03	-	-
Route Mobile Pte. Ltd.	20.62	13.55	-
Route Mobile Hong Kong Limited	-	13.00	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**  
**(Amounts in ₹ million, unless otherwise stated)**

**42 Related party transactions of Routesms Solutions Nigeria Limited**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	29 Three Holidays Private Limited Route Mobile (UK) Limited Route Mobile Limited (Ghana) (with effect from June 22, 2016) Routesms Solutions FZE

**b) Details of related party transaction for the period ended:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of message services</u></b>			
Route Mobile Limited	0.04	-	-
Route Mobile (UK) Limited	21.88	11.69	-
Routesms Solutions FZE	0.62	26.49	-
Route Mobile Limited (Ghana)	0.01	-	-
<b><u>Sale of message services</u></b>			
Route Mobile Limited	7.46	8.20	-
Route Mobile (UK) Limited	5.14	6.75	-
Routesms Solutions FZE	2.22	51.77	-
<b><u>Travelling expenses</u></b>			
29 Three Holidays Private Limited	-	0.10	12.79
<b><u>Management fees</u></b>			
Route Mobile Limited	9.74	21.64	12.79
<b><u>Loans given to related party</u></b>			
Route Mobile (UK) Limited	-	4.22	-
<b><u>Loans taken from related parties</u></b>			
Route Mobile (UK) Limited	0.00	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Routesms Solutions Nigeria Limited

c) Balances outstanding at the end of the year:

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Trade receivable</u></b>			
Route Mobile Limited	15.65	7.85	-
Routesms Solutions FZE	0.41	0.24	-
<b><u>Amount payable</u></b>			
Route Mobile Limited (Ghana)	0.01	-	-
Route Mobile (UK) Limited	16.70	2.49	0.12
Routesms Solutions FZE	0.12	12.85	-
29 Three Holidays Private Limited	-	0.11	-
Route Mobile Limited	27.38	24.22	17.27
<b><u>Loan receivable</u></b>			
Route Mobile (UK) Limited	4.28	4.27	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Mobile Pte. Ltd. (with effect from October 17, 2016)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile Limited
(ii) Entities in which KMP/relatives of KMP can exercise significant influence	29 Three Holidays Private Limited Route Mobile (UK) Limited Routesms Solutions FZE

**b) Details of related party transaction for the period ended:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of short message services (SMS)</u></b>			
Route Mobile Limited	-	-	-
Route Mobile (UK) Limited	5.46	-	-
Routesms Solutions FZE	28.67	-	-
<b><u>Sale of short message services (SMS)</u></b>			
Route Mobile Limited	5.85	-	-
Route Mobile (UK) Limited	0.10	-	-
<b><u>Travelling and conveyance expense</u></b>			
29 Three Holidays Private Limited	1.08	0.66	-
<b><u>Expenses reimbursed by other company</u></b>			
Route Mobile (UK) Limited	0.55	-	-
<b><u>Amount received on behalf of others</u></b>			
Route Mobile (UK) Limited	0.09	-	-
<b><u>Management fees</u></b>			
Route Mobile Limited	0.82	1.63	-
<b><u>Loan taken from related parties</u></b>			
Route Mobile (UK) Limited	0.63	-	-
Routesms Solutions FZE	6.16	13.46	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

**(Amounts in ₹ million, unless otherwise stated)**

**42 Related party transactions of Route Mobile Pte. Ltd. (with effect from October 17, 2016)**

**c) Balances outstanding at the end of the year:**

<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
<b><u>Amount receivable</u></b>			
Route Mobile Limited	4.72	-	-
<b><u>Loan payable</u></b>			
Routesms Solutions FZE	20.55	13.92	-
Route Mobile (UK) Limited	0.63	-	-
<b><u>Amount payable</u></b>			
Route Mobile Limited	0.83	1.64	-
Route Mobile (UK) Limited	2.65	-	-
Routesms Solutions FZE	14.69	-	-
29 Three Holidays Private Limited	-	0.66	-



**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information****(Amounts in ₹ million, unless otherwise stated)****42 Related party transactions of Route Mobile LLC (with effect from July 21, 2016)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Routesms Solutions FZE
(ii) Ultimate Holding Company	Route Mobile Limited
(iii) Fellow subsidiaries (with whom transactions have taken place)	Route Mobile (UK) Limited Route Mobile Inc. (with effect from July 06, 2017)
(v) Entities in which KMP/relatives of KMP can exercise significant influence ( with whom transactions have taken place)	29 Three Holidays Private Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Sale of message services</u></b>			
Route Mobile (UK) Limited	2.05	2.69	-
Route Mobile Limited	4.02	1.67	-
Routesms Solutions FZE	0.19	14.82	-
<b><u>Purchase of message services</u></b>			
Route Mobile Limited	-	1.19	-
Route Mobile (UK) Limited	13.78	3.38	-
Route Mobile Inc.	2.49	-	-
Routesms Solutions FZE	175.53	47.47	-
<b><u>Loan taken</u></b>			
Routesms Solutions FZE	2.69	70.31	-
<b><u>Loan repaid</u></b>			
Routesms Solutions FZE	51.94	39.25	-
<b><u>Travelling and conveyance expense</u></b>			
29 Three Holidays Private Limited	0.24	0.60	0.26

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

**(Amounts in ₹ million, unless otherwise stated)**

**42 Related party transactions of Route Mobile LLC (with effect from July 21, 2016)**

**c) Balances outstanding at the end of the year:**

<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
<b><u>Amount receivable</u></b>			
Route Mobile (UK) Limited	0.54	-	-
Route Mobile Limited	0.19	0.49	-
<b><u>Amount payable</u></b>			
29 Three Holidays Private Limited	0.17	0.25	0.17
Routesms Solutions FZE	127.72	-	-
Route Mobile (UK) Limited	10.02	0.69	-
<b><u>Advances payable</u></b>			
Routesms Solutions FZE	25.40	71.08	41.14

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Mobile (UK) Limited**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

<b>Description of relationship</b>	<b>Names of related parties</b>
(i) Holding Company	Route Mobile Limited
(ii) Subsidiaries	Route Mobile Limited (Ghana) (with effect from June 22, 2016) 365squared Limited (with effect from October 1, 2017) Route Mobile Hong Kong Limited Route Mobile Inc . (with effect from July 06, 2017) Route Mobile Malta Limited (with effect from June 06, 2018) Route Mobile (Nepal) Private Limited (with effect from May 22, 2018) Route Mobile (Uganda) Limited (with effect from May 26, 2018) Route Mobile Lanka (Private) Limited (with effect from March 23, 2018) Route Mobile (Bangladesh) Limited (with effect from April 26, 2018) Route connect (Kenya) Limited (with effect from July 26, 2017) Routesms Solutions Zambia Limited (with effect from November 8, 2018) Defero Mobile Pte Limited (till January 31, 2018)
(iii) Fellow subsidiaries (with whom transactions have taken place)	Routesms Solutions FZE Routesms Solutions Nigeria Limited Route Mobile LLC (with effect from July 21, 2016) Route Mobile Pte. Ltd. (with effect from October 17, 2016) Cellent Technologies (India) Private Limited (with effect from September 9, 2016)
(iv) Key Management Personnel (KMP) (with whom transactions have taken place)	Rajdipkumar Gupta Sandipkumar Gupta
(v) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	29 Three Holidays Private Limited

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Mobile (UK) Limited**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**b) Details of related party transaction for the period ended:**

Particulars	Holding Company/Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of message services</u></b>												
Route Mobile Limited (Ghana)	0.83	0.18	-	-	-	-	-	-	-	-	-	-
365squared Limited	549.13	64.64	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	316.99	91.90	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	5.29	6.31	-	-	-	-	-	-	-	-	-	-
Route Mobile LLC	2.12	2.65	-	-	-	-	-	-	-	-	-	-
Route Mobile Inc	1.42	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.10	-	-	-	-	-	-	-	-	-	-	-
Defero Mobile Pte Limited	-	-	11.28	-	-	-	-	-	-	-	-	-
Route Mobile Limited	142.91	12.27	-	-	-	-	-	-	-	-	-	-
<b><u>Sale of message services</u></b>												
Route Mobile Limited (Ghana)	0.92	0.74	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	242.84	306.39	-	-	-	-	-	-	-	-	-	-
Route Mobile Inc	0.04	0.74	-	-	-	-	-	-	-	-	-	-
Route Mobile LLC	14.30	3.21	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	22.52	10.55	-	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	31.72	-	-	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	30.71	8.54	16.31	-	-	-	-	-	-	-	-	-
Route Mobile Limited	1,065.49	290.43	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	5.54	-	-	-	-	-	-	-	-	-	-	-
<b><u>Travelling and conveyance expense</u></b>												
29 Three Holidays Private Limited	0.94	7.58	9.84	-	-	-	-	-	-	-	-	-
<b><u>Management fees</u></b>												
Route Mobile Limited	54.61	51.19	25.90	-	-	-	-	-	-	-	-	-
<b><u>Dividend income</u></b>												
365squared Limited	234.37	-	-	-	-	-	-	-	-	-	-	-
<b><u>Expenses reimbursed by other company</u></b>												
Routesms Solutions FZE	0.44	-	-	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	0.11	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	-	4.13	-	-	-	-	-	-	-	-	-	-
<b><u>Expenses reimbursed to other company</u></b>												
Route Mobile Malta Limited	0.12	-	-	-	-	-	-	-	-	-	-	-
Route Mobile (Nepal) Private Limited	1.64	-	-	-	-	-	-	-	-	-	-	-
Route Mobile (Uganda) Limited	0.35	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.56	-	-	-	-	-	-	-	-	-	-	-
365squared Limited	0.86	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited	-	0.68	0.06	-	-	-	-	-	-	-	-	-
<b><u>Other operating income (server charges)</u></b>												
Route Mobile Limited	0.34	0.53	-	-	-	-	-	-	-	-	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Route Mobile (UK) Limited

b) Details of related party transaction for the period ended:

Particulars	Holding Company/Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Loans given to related party</u></b>												
Route Mobile Inc	70.19	28.71	-	-	-	-	-	-	-	-	-	-
Route Mobile Lanka (Private) Limited	0.66	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.72	-	-	-	-	-	-	-	-	-	-	-
Route Mobile (Bangladesh) Limited	0.85	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	-	13.14	6.70	-	-	-	-	-	-	-	-	-
<b><u>Amount paid on behalf of others</u></b>												
Route Mobile Hong Kong Limited	4.57	9.53	0.16	-	-	-	-	-	-	-	-	-
Route connect (Kenya) Limited	0.10	0.31	-	-	-	-	-	-	-	-	-	-
Route Mobile Inc	-	19.29	-	-	-	-	-	-	-	-	-	-
Route Mobile Lanka (Private) Limited	-	0.10	-	-	-	-	-	-	-	-	-	-
Route Mobile (Nepal) Private Limited	-	0.09	-	-	-	-	-	-	-	-	-	-
Route Mobile (Uganda) Limited	-	0.02	-	-	-	-	-	-	-	-	-	-
<b><u>Amount received on behalf of others</u></b>												
Route Mobile Limited (Ghana)	3.27	1.10	-	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	19.38	-	-	-	-	-	-	-	-	-	-	-
<b><u>Interest expenses</u></b>												
Route Mobile Limited	4.24	1.37	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	15.46	5.52	-	-	-	-	-	-	-	-	-	-
<b><u>Loan repaid by related parties</u></b>												
Route Mobile Inc.	31.54	10.49	-	-	-	-	-	-	-	-	-	-
Route Mobile (Bangladesh) Limited	0.85	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	1.61	-	1.28	-	-	-	-	-	-	-	-	-
<b><u>Remuneration to Directors</u></b>												
Rajdipkumar Gupta	-	-	-	0.74	0.75	0.29	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	0.74	0.87	0.29	-	-	-	-	-	-
<b><u>Directors sitting fees</u></b>												
Rajdip Gupta	-	-	-	-	0.25	0.42	-	-	-	-	-	-
Sandip Gupta	-	-	-	-	-	0.42	-	-	-	-	-	-
<b><u>Loans taken from related parties</u></b>												
Route Mobile (Nepal) Private Limited	3.18	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Malta Limited	0.17	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Lanka (Private) Limited	0.04	-	-	-	-	-	-	-	-	-	-	-
Route Mobile (Uganda) Limited	0.94	-	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Zambia Limited	0.09	-	-	-	-	-	-	-	-	-	-	-
Route connect (Kenya) Limited	0.01	6.18	-	-	-	-	-	-	-	-	-	-
365squared Limited	-	12.70	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited	-	154.91	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	-	679.08	0.24	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	-	4.22	-	-	-	-	-	-	-	-	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Route Mobile (UK) Limited

c) Balances outstanding at the end of the year:

Particulars	Holding Company/Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b>Amount receivable</b>												
Route Mobile Malta Limited	0.12	-	-	-	-	-	-	-	-	-	-	-
Route Mobile (Nepal) Private Limited	1.71	-	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	16.77	2.46	0.10	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	5.80	-	0.26	-	-	-	-	-	-	-	-	-
Route Mobile Inc	0.36	0.78	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited	657.58	208.35	-	-	-	-	-	-	-	-	-	-
Route Mobile LLC	9.83	0.60	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	1.12	0.78	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	2.71	-	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	116.75	17.52	-	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	9.61	-	-	-	-	-	-	-	-	-	-	-
<b>Other receivable</b>												
Route Mobile (Uganda) Limited	0.37	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.63	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	-	-	6.70	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	-	-	0.16	-	-	-	-	-	-	-	-	-
Defero Mobile Pte Limited	-	-	16.44	-	-	-	-	-	-	-	-	-
<b>Amount payable</b>												
29 Three Holidays Private Limited	0.03	2.23	-	-	-	-	-	-	-	-	-	-
Route Mobile Inc	0.25	-	-	-	-	-	-	-	-	-	-	-
365squared Limited	177.22	68.36	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited	218.23	52.36	24.05	-	-	-	-	-	-	-	-	-
Route Mobile LLC	0.37	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	0.47	0.19	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	242.67	-	-	-	-	-	-	-	-	-	-	-
Cellent Technologies (India) Private Limited	-	13.72	-	-	-	-	-	-	-	-	-	-
<b>Loan payable</b>												
Route Mobile (Nepal) Private Limited	3.21	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Malta Limited	0.16	-	-	-	-	-	-	-	-	-	-	-
Route Mobile Lanka (Private) Limited	0.04	-	-	-	-	-	-	-	-	-	-	-
Route Mobile (Uganda) Limited	0.93	-	-	-	-	-	-	-	-	-	-	-
Routesms Solutions Zambia Limited	0.09	-	-	-	-	-	-	-	-	-	-	-
Route connect (Kenya) Limited	6.37	6.38	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited	155.34	161.23	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	651.95	651.61	0.24	-	-	-	-	-	-	-	-	-
Routesms Solutions Nigeria Limited	4.27	4.28	-	-	-	-	-	-	-	-	-	-
365squared Limited	12.15	13.40	-	-	-	-	-	-	-	-	-	-
Route Mobile Hong Kong Limited	-	4.24	-	-	-	-	-	-	-	-	-	-
<b>Wages payable</b>												
Rajdipkumar Gupta	-	-	-	1.23	0.43	0.59	-	-	-	-	-	-
Sandipkumar Gupta	-	-	-	1.23	0.60	0.59	-	-	-	-	-	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Route Mobile (UK) Limited

c) Balances outstanding at the end of the year:

Particulars	Holding Company/Subsidiaries/Fellow subsidiary			Key Management Personnel (KMP)			Entities in which KMP/relatives of KMP exercise significant influence			Relatives of KMP		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
<b>Interest payable</b>												
Route Mobile Limited	4.22	1.46	-	-	-	-	-	-	-	-	-	-
Routesms Solutions FZE	15.38	-	-	-	-	-	-	-	-	-	-	-
<b>Dividend receivable</b>												
365squared Limited	233.22	-	-	-	-	-	-	-	-	-	-	-
<b>Loan receivable</b>												
Route Mobile Inc	58.70	20.04	-	-	-	-	-	-	-	-	-	-
Route Mobile Lanka (Private) Limited	0.75	0.10	-	-	-	-	-	-	-	-	-	-
Route Mobile Limited (Ghana)	9.44	12.10	-	-	-	-	-	-	-	-	-	-
Route Mobile (Nepal) Private Limited	-	0.10	-	-	-	-	-	-	-	-	-	-
Route connect (Kenya) Limited	-	0.32	-	-	-	-	-	-	-	-	-	-
Route Mobile (Uganda) Limited	-	0.02	-	-	-	-	-	-	-	-	-	-
Route Mobile Pte. Ltd.	0.63	-	-	-	-	-	-	-	-	-	-	-
<b>Interest receivable</b>												
Defero Mobile Pte Limited	-	-	0.47	-	-	-	-	-	-	-	-	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information****(Amounts in ₹ million, unless otherwise stated)****42 Related party transactions of Route connect (Kenya) Limited (with effect from July 26, 2017)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

**b) Details of related party transaction for the period ended:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Amount paid by others</u></b>		
Route Mobile (UK) Limited	0.10	0.31
<b><u>Loans given to related party</u></b>		
Route Mobile (UK) Limited	0.01	6.18

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Loan receivable</u></b>		
Route Mobile (UK) Limited	6.82	6.38
<b><u>Loan payable</u></b>		
Route Mobile (UK) Limited	-	0.32



**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of 365squared Limited (with effect from October 1, 2017)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

**b) Details of related party transaction for the period ended:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Sale of message services</u></b>			
Route Mobile (UK) Limited	540.45	64.64	-
<b><u>Loan given</u></b>			
Route Mobile (UK) Limited	-	12.70	-
<b><u>Dividend</u></b>			
Route Mobile (UK) Limited	234.37	-	-
<b><u>Expenses reimbursed by other company</u></b>			
Route Mobile (UK) Limited	0.86	-	-

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Trade receivable</u></b>			
Route Mobile (UK) Limited	177.22	68.36	-
<b><u>Dividend payable</u></b>			
Route Mobile (UK) Limited	233.22	-	-
<b><u>Loan receivable</u></b>			
Route Mobile (UK) Limited	12.15	13.40	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**  
**(Amounts in ₹ million, unless otherwise stated)**

**42 Related party transactions of Route Mobile Hong Kong Limited**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile (UK) Limited
(ii) Ultimate Holding Company	Route Mobile Limited
(iii) Fellow subsidiaries (with whom transactions have taken place)	Routesms Solutions FZE
(iv) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	29 Three Holidays Private Limited

**b) Details of related party transaction for the period ended:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of message services</u></b>			
Route Mobile (UK) Limited	30.54	-	-
<b><u>Travelling and conveyance expense</u></b>			
29 Three Holidays Private Limited	-	2.25	-
<b><u>Amount paid by others</u></b>			
Route Mobile (UK) Limited	4.57	9.53	0.16
<b><u>Amount received by others</u></b>			
Route Mobile (UK) Limited	19.38	-	-
<b><u>Expense reimbursed by other company</u></b>			
Route Mobile Limited	-	0.06	-
<b><u>Management fees</u></b>			
Route Mobile Limited	1.77	6.66	6.71
<b><u>Loan taken</u></b>			
Routesms Solutions FZE	-	8.46	-
<b><u>Amount paid on behalf of others</u></b>			
Route Mobile (UK) Limited	-	4.13	-
<b><u>Repayment of loan taken</u></b>			
Routesms Solutions FZE	-	1.99	-

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

42 Related party transactions of Route Mobile Hong Kong Limited

c) Balances outstanding at the end of the year:

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Trade payable</u></b>			
Route Mobile Limited	-	16.56	9.85
29 Three Holidays Private Limited	-	2.25	-
<b><u>Trade receivable</u></b>			
Routesms Solutions FZE	-	-	0.06
<b><u>Loan payable</u></b>			
Routesms Solutions FZE	-	12.99	-
Route Mobile (UK) Limited	-	-	0.14
<b><u>Loan receivable</u></b>			
Route Mobile (UK) Limited	-	4.13	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information****(Amounts in ₹ million, unless otherwise stated)****42 Related party transactions of Routesms Solutions Zambia Limited (with effect from November 8, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019
<u>Loan given to related party</u>	
Route Mobile (UK) Limited	0.09

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2019
<u>Loan Receivable</u>	
Route Mobile (UK) Limited	0.09

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

**(Amounts in ₹ million, unless otherwise stated)**

**42 Related party transactions of Route Mobile (Bangladesh) Limited (with effect from April 26, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019
<b><u>Loan taken</u></b>	
Route Mobile (UK) Limited	0.85
<b><u>Loan repaid to related party</u></b>	
Route Mobile (UK) Limited	0.85

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Defero Mobile Pte Limited (till January 31, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile (UK) Limited
(ii) Ultimate Holding Company	Route Mobile Limited
(iii) Entities in which KMP/relatives of KMP can exercise significant influence (with whom transactions have taken place)	Routesms Solutions FZE

**b) Details of related party transactions during the period ended:**

Particulars	March 31, 2018	March 31, 2017
<b><u>Sale of message services</u></b>		
Route Mobile (UK) Limited	-	11.28
Routesms Solutions FZE	0.07	6.64
<b><u>Purchase of message services</u></b>		
Routesms Solutions FZE	0.05	0.71
<b><u>Balances written back</u></b>		
Routesms Solutions FZE	6.51	-
Route Mobile Limited	1.81	-
<b><u>Other expenses reimbursed by related party</u></b>		
Routesms Solutions FZE	0.18	-
<b><u>Management fees</u></b>		
Route Mobile Limited	-	1.81

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2018	March 31, 2017
<b><u>Other payable</u></b>		
Route Mobile (UK) Limited	-	16.44
<b><u>Trade Payables</u></b>		
Route Mobile Limited	-	1.81
<b><u>Interest payable</u></b>		
Route Mobile (UK) Limited	-	0.47

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Mobile Inc. (with effect from July 6, 2017)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile (UK) Limited
(ii) Ultimate Holding Company	Route Mobile Limited
(iii) Fellow subsidiaries ( with whom transactions have taken place)	Routesms Solutions FZE Routesms Solutions Nigeria Limited Route Mobile LLC

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Purchase of message services</u></b>		
Route Mobile (UK) Limited	0.03	0.78
Routesms Solutions FZE	14.83	51.80
<b><u>Sale of message services</u></b>		
Route Mobile (UK) Limited	1.36	-
Route Mobile Limited	177.20	2.83
Route Mobile LLC	2.49	-
Routesms Solutions FZE	0.29	-
<b><u>Expenses reimbursed by other company</u></b>		
Route Mobile Limited	0.67	-
<b><u>Loan taken</u></b>		
Routesms Solutions FZE	9.14	1.33
Route Mobile (UK) Limited	67.91	28.71
<b><u>Repayment of loan taken</u></b>		
Route Mobile (UK) Limited	31.54	10.49
<b><u>Amount paid by others</u></b>		
Route Mobile (UK) Limited	-	19.29

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Mobile Inc. (with effect from July 6, 2017)**

**c) Balances outstanding at the end of the year:**

<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b><u>Trade payable</u></b>		
Route Mobile (UK) Limited	0.36	0.78
Routesms Solutions FZE	-	50.94
<b><u>Trade receivable</u></b>		
Route Mobile Limited	21.44	2.84
Route Mobile (UK) Limited	0.55	-
<b><u>Loan payable</u></b>		
Routesms Solutions FZE	12.03	1.34
Route Mobile (UK) Limited	58.70	20.04



**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Mobile Lanka (Private) Limited (with effect from March 23, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Loan taken</u></b>		
Route Mobile (UK) Limited	0.73	-
<b><u>Amount paid by others</u></b>		
Route Mobile (UK) Limited	-	0.10
<b><u>Loan given to related party</u></b>		
Route Mobile (UK) Limited	0.04	-

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Loan payable</u></b>		
Route Mobile (UK) Limited	0.75	-
<b><u>Other payable</u></b>		
Route Mobile (UK) Limited	-	0.10
<b><u>Loan receivable</u></b>		
Route Mobile (UK) Limited	0.04	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**  
**(Amounts in ₹ million, unless otherwise stated)**

**42 Related party transactions of 'Route Mobile Nepal Private Limited (with effect from May 22, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

a) **Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

b) **Details of related party transactions for the period ended:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Loans given to related party</u></b>		
Route Mobile (UK) Limited	3.18	-
<b><u>Expenses reimbursed by other company</u></b>		
Route Mobile (UK) Limited	1.68	-
<b><u>Amount paid by others</u></b>		
Route Mobile (UK) Limited	-	0.09

c) **Balances outstanding at the end of the year:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Amount payable</u></b>		
Route Mobile (UK) Limited	1.74	-
<b><u>Loan receivable</u></b>		
Route Mobile (UK) Limited	3.21	
<b><u>Loan payable</u></b>		
Route Mobile (UK) Limited	-	0.10

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**42 Related party transactions of Route Mobile (Uganda) Limited (with effect from May 26, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Amount paid by others</u></b>		
Route Mobile (UK) Limited	-	0.02
<b><u>Expenses reimbursed by other company</u></b>		
Route Mobile (UK) Limited	0.37	
Routesms Solutions FZE	0.02	-
<b><u>Loan given to related party</u></b>		
Route Mobile (UK) Limited	0.94	-

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2019	March 31, 2018
<b><u>Loan receivable</u></b>		
Route Mobile (UK) Limited	0.93	-
<b><u>Loan payable</u></b>		
Route Mobile (UK) Limited	0.39	0.02
Routesms Solutions FZE	0.02	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**  
**(Amounts in ₹ million, unless otherwise stated)**

**42 Related party transactions of Route Mobile Limited (Ghana) (with effect from June 22, 2016)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
(i) Holding Company	Route Mobile (UK) Limited
(ii) Ultimate Holding Company	Route Mobile Limited
(iii) Fellow subsidiaries	Routesms Solutions FZE
(with whom transactions have taken place)	Routesms Solutions Nigeria Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Purchase of message services</u></b>			
Route Mobile (UK) Limited	0.93	0.75	-
<b><u>Sale of message services</u></b>			
Route Mobile (UK) Limited	0.83	0.19	-
Route Mobile Limited	1.53	0.50	-
Routesms Solutions FZE	1.07	4.58	-
Routesms Solutions Nigeria Limited	0.01	-	-
<b><u>Amount received by others</u></b>			
Route Mobile Limited	5.44	1.33	-
Route Mobile (UK) Limited	3.27	1.10	-
<b><u>Loan taken</u></b>			
Route Mobile (UK) Limited	-	13.14	5.83
<b><u>Repayment of loan taken</u></b>			
Route Mobile (UK) Limited	1.61	-	1.28

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b><u>Trade payable</u></b>			
Route Mobile (UK) Limited	1.03	0.78	-
<b><u>Trade receivable</u></b>			
Route Mobile Limited	0.03	1.82	-
Routesms Solutions Nigeria Limited	0.01	-	-
Route Mobile (UK) Limited	0.45	0.19	-
Routesms Solutions FZE	-	4.59	-
<b><u>Loan payable</u></b>			
Routesms Solutions FZE	0.09	-	-
Route Mobile (UK) Limited	9.44	12.10	-
<b><u>Other payable</u></b>			
Route Mobile (UK) Limited	-	-	6.70
<b><u>Loan receivable</u></b>			
Route Mobile Limited	6.39	-	-

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information****(Amounts in ₹ million, unless otherwise stated)****42 Related party transactions of Route Mobile Malta Limited (with effect from June 06, 2018)**

Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosure" are given below:

**a) Names of related parties and description of relationship:**

Description of relationship	Names of related parties
Holding Company	Route Mobile (UK) Limited

**b) Details of related party transactions for the period ended:**

Particulars	March 31, 2019
<b><u>Loan given to related party</u></b>	
Route Mobile (UK) Limited	0.17
<b><u>Expenses reimbursed by other company</u></b>	
Route Mobile (UK) Limited	0.12

**c) Balances outstanding at the end of the year:**

Particulars	March 31, 2019
<b><u>Amount payable</u></b>	
Route Mobile (UK) Limited	0.12
<b><u>Loan receivable</u></b>	
Route Mobile (UK) Limited	0.17

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**43 (a) Statement of consolidated net assets, consolidated profit / (loss), other comprehensive income and total comprehensive income attributable to equity shareholders of the Holding Company and Non-controlling interests**

For disclosures mandated by Schedule III of Companies Act, 2013, by way of additional information, refer below:

Name of the entities in the Group	Country of incorporation	March 31, 2019							
		Net Assets, i.e. total assets minus total liabilities		Share in profits/(loss)		Share in other comprehensive income/(loss) (OCI)		Total comprehensive income (CI)	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated CI	Amount
<b>Parent:</b>									
Route Mobile Limited	India	38%	838.02	16.51%	92.05	3.23%	1.36	15.58%	93.41
<b>Subsidiaries:</b>									
<b>Indian</b>									
Sphere Edge Consulting (India) Private Limited	India	3.21%	71.02	0.57%	3.18	0.00%	-	0.53%	3.18
Cellent Technologies India Private Limited	India	0.67%	14.70	0.57%	3.19	0.00%	-	0.53%	3.19
Start Corp India Private Limited	India	0.56%	12.33	0.55%	3.06	0.00%	-	0.51%	3.06
Call 2 Connect India Private Limited	India	(0.54%)	(11.99)	1.97%	10.97	0.00%	-	1.83%	10.97
Route Connect Private Limited	India	(0.11%)	(2.36)	(0.44%)	(2.46)	0.00%	-	(0.41%)	(2.46)
<b>Foreign</b>									
RouteSMS Solutions (UK) Limited (refer note 1 below)	United Kingdom	13.72%	303.36	37.82%	210.83	(36.26%)	(15.30)	32.61%	195.53
Routesms Solutions Nigeria Limited	Nigeria	2.10%	46.40	1.80%	10.04	5.75%	2.42	2.08%	12.46
Routesms Solutions (FZE) (refer note 1 below)	United Arab Emirates	45.50%	1,005.28	45.15%	251.70	117.36%	49.51	50.23%	301.21
Route Mobile Pte. Ltd.	Singapore	(1.21%)	(26.76)	(1.96%)	(10.95)	(1.02%)	(0.43)	(1.90%)	(11.38)
<b>Non - Controlling interest in all subsidiaries ( as applicable)</b>									
Routesms Solutions (FZE)		(0.83%)	(18.37)	(2.26%)	(12.61)	4.75%	2.01	(1.77%)	(10.60)
RouteSMS Solutions (UK) Limited		(0.02%)	(0.46)	(0.28%)	(1.53)	(0.26%)	(0.11)	(0.27%)	(1.64)
<b>Intercompany elimination and consolidation adjustments</b>									
		(0.98%)	(21.76)	0.00%	-	6.45%	2.72	0.45%	2.72
<b>Total</b>			2,209.41		557.47		42.18		599.65

**Note:**

1. Amount disclosed is after consolidation with subsidiaries and associate, as applicable.

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

		March 31, 2018							
Name of the entities in the Group	Country of incorporation	Net Assets, i.e. total assets minus total liabilities		Share in profits/(loss)		Share in other comprehensive income/(loss) (OCI)		Total comprehensive income (CI)	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated CI	Amount
<b>Parent:</b>									
Route Mobile Limited	India	49.11%	834.95	22.71%	107.48	0.73%	0.21	21.48%	107.69
<b>Subsidiaries:</b>									
<b>Indian</b>									
Sphere Edge Consulting (India) Private Limited	India	3.99%	67.85	0.27%	1.30	0.00%	-	0.26%	1.30
Cellent Technologies India Private Limited	India	0.68%	11.51	1.08%	5.09	0.00%	-	1.02%	5.09
Start Corp India Private Limited	India	0.55%	9.28	0.43%	2.06	0.00%	-	0.41%	2.06
Call 2 Connect India Private Limited	India	(1.35%)	(22.95)	(8.60%)	(40.68)	0.00%	-	(8.11%)	(40.68)
<b>Foreign</b>									
RouteSMS Solutions (UK) Limited (refer note 1 below)	United Kingdom	5.94%	107.88	11.66%	55.22	33.76%	9.48	12.89%	64.70
Routesms Solutions Nigeria Limited	Nigeria	2.00%	33.94	3.20%	15.12	(12.35%)	(3.47)	2.32%	11.65
Routesms Solutions (FZE) (refer note 1 below)	United Arab Emirates	41.41%	704.07	75.10%	355.40	9.22%	2.59	71.41%	357.99
Route Mobile Pte. Ltd.	Singapore	(0.90%)	(15.38)	(3.39%)	(16.06)	(1.68%)	(0.47)	(3.30%)	(16.53)
<b>Non - Controlling interest in all subsidiaries ( as applicable)</b>									
Routesms Solutions (FZE)		(1.43%)	(7.77)	(1.67%)	(7.92)	(0.08%)	(0.02)	(1.58%)	(7.94)
RouteSMS Solutions (UK) Limited		0.00%	1.18	(0.79%)	(3.75)	(0.29%)	(0.08)	(0.76%)	(3.83)
<b>Intercompany elimination and consolidation adjustments</b>		0.00%	(24.38)	0.00%	(0.01)	70.69%	19.86	3.96%	19.85
<b>Total</b>			1,700.18		473.25		28.10		501.35

**Note:**

1. Amount disclosed is after consolidation with subsidiaries and associate, as applicable.

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

Name of the entities in the Group	Country of incorporation	March 31, 2017							
		Net Assets, i.e. total assets minus total liabilities		Share in profits/ (loss)		Share in other comprehensive income/ (loss) (OCI)		Total comprehensive income (CI)	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated CI	Amount
<b>Parent:</b>									
Route Mobile Limited	India	62.97%	802.06	85.52%	519.07	(1.44%)	0.63	92.26%	519.70
<b>Subsidiaries:</b>									
<b>Indian</b>									
Sphere Edge Consulting (India) Private Limited	India	5.22%	66.55	1.90%	11.44	0.00%	-	2.05%	11.44
Cellent Technologies India Private Limited	India	0.50%	6.42	2.77%	16.83	0.00%	-	2.99%	16.83
Start Corp India Private Limited	India	0.57%	7.22	0.12%	0.71	0.00%	-	0.13%	0.71
<b>Foreign</b>									
RouteSMS Solutions (UK) Limited (refer note 1 below)	United Kingdom	3.41%	43.40	1.82%	11.18	17.60%	(7.69)	0.61%	3.49
Routesms Solutions Nigeria Limited	Nigeria	1.75%	22.31	2.73%	16.56	20.46%	(8.93)	1.35%	7.63
Routesms Solutions (FZE) (refer note 1 below)	United Arab Emirates	27.17%	346.05	63.03%	382.54	4.12%	(1.80)	67.59%	380.74
Route Mobile Pte. Ltd.	Singapore	0.09%	1.15	0.00%	(0.01)	0.18%	(0.08)	(0.02%)	(0.09)
<b>Non - Controlling interest in all subsidiaries ( as applicable)</b>									
Routesms Solutions (FZE)		0.01%	0.17	0.03%	0.17	0.00%	(0.00)	0.03%	0.17
RouteSMS Solutions (UK) Limited		0.39%	5.01	(0.05%)	(0.30)	0.00%	-	(0.05%)	(0.30)
<b>Intercompany elimination and consolidation adjustments</b>		(2.08%)	(26.51)	(57.87%)	(351.25)	59.08%	(25.79)	(66.94%)	(377.04)
<b>Total</b>			1,273.83		606.94		(43.66)		563.28

**Note:**

1. Amount disclosed is after consolidation with subsidiaries and associate, as applicable.



**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**  
(Amounts in ₹ million, unless otherwise stated)

**(b) Non-controlling interests (NCI)**

**Summarised Balance sheet**

Particulars	Route Mobile Limited (Ghana)			Route Mobile LLC (UAE)		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
Current assets	3.76	17.23	18.91	135.96	61.83	42.64
Current liabilities	(3.95)	(8.39)	(5.46)	(172.42)	(77.42)	(42.90)
<b>Net current assets</b>	<b>(0.19)</b>	<b>8.84</b>	<b>13.45</b>	<b>(36.46)</b>	<b>(15.59)</b>	<b>(0.26)</b>
Non-current assets	8.09	5.55	3.26	0.44	0.35	0.58
Non-current liabilities	(9.44)	(10.45)	-	-	-	-
<b>Net non-current assets</b>	<b>(1.35)</b>	<b>(4.90)</b>	<b>3.26</b>	<b>0.44</b>	<b>0.35</b>	<b>0.58</b>
<b>Net assets</b>	<b>(1.54)</b>	<b>3.94</b>	<b>16.71</b>	<b>(36.02)</b>	<b>(15.24)</b>	<b>0.32</b>
<b>Accumulated NCI</b>	<b>(0.46)</b>	<b>1.18</b>	<b>5.02</b>	<b>(18.37)</b>	<b>(7.77)</b>	<b>0.16</b>

**Summarised statement of profit and loss**

Particulars	Route Mobile Limited (Ghana)			Route Mobile LLC (UAE)		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
Revenue	12.67	11.20	-	208.82	100.99	36.38
Profit/(Loss) for the year	(5.11)	(12.49)	(1.00)	(24.72)	(15.53)	0.33
Other comprehensive income/(loss)	(0.36)	(0.28)	-	3.93	(0.03)	(0.01)
<b>Total comprehensive income</b>	<b>(5.47)</b>	<b>(12.77)</b>	<b>(1.00)</b>	<b>(20.79)</b>	<b>(15.56)</b>	<b>0.32</b>
(Loss)/Profit allocated to NCI	(1.53)	(3.75)	(0.30)	(12.61)	(7.92)	0.17
Other comprehensive income/(loss) allocated to NCI	(0.11)	(0.08)	-	2.01	(0.02)	-
Total comprehensive income/(loss) allocated to NCI	(1.64)	(3.83)	(0.30)	(10.60)	(7.94)	0.17
Dividend paid to NCI	-	-	-	-	-	-

**Summarised cash flows**

Particulars	Route Mobile Limited (Ghana)			Route Mobile LLC (UAE)		
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2019	March 31, 2018	March 31, 2017
Cash flows from operating activities	(6.83)	(19.03)	13.60	7.54	(1.35)	2.28
Cash flows from investing activities	-	(0.06)	5.29	-	(0.13)	(0.71)
Cash flows from financing activities	-	28.16	-	-	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(6.83)</b>	<b>9.07</b>	<b>18.89</b>	<b>7.54</b>	<b>(1.48)</b>	<b>1.57</b>

**(c) Interest in Associate**

Name of entity	Country of incorporation	% of ownership interest		Relationship	Accounting method	Carrying value*	
		March 31, 2018	March 31, 2017			March 31, 2018	March 31, 2017
Defero Mobile (Thailand) Co. Ltd.	Thailand	Nil	34%	Associate	Equity Method	**	0.43

\*Since the entity is unlisted, no quoted price is available

\*\* The Company closed its operations on January 31, 2018.

Defero Mobile Pte. Ltd., subsidiary of Route Mobile (UK) Limited, has invested in Defero Mobile (Thailand) Co., Ltd. a company incorporated in Thailand, and acquired 49% shareholding in that company. The principal activities of the associate are those relating to telecommunication services. The principal activities of associate is similar to the group's business, thus strengthening the group's stake in the market.

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')  
Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

44 Employee benefits (as applicable to India entities)

I. Contribution to Defined contribution plan, recognised as expenses for the year are as under :

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
Employer contribution to provident fund	1.09	0.96	0.30
Employer contribution to employees state insurance scheme	1.65	0.68	0.25
	<b>2.74</b>	<b>1.64</b>	<b>0.55</b>

II. Gratuity:

Defined benefit plans: - The Indian entities in the group provide for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary in accordance with Indian Accounting Standard-19, 'Employee Benefits'. The Gratuity Scheme is a non-funded scheme and the group intends to discharge this liability through its internal resources.

The following table sets out the unfunded status of the Gratuity Scheme in respect of employees of the Indian entities in the group:

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>(a) Change in present value of benefit obligation</b>			
Projected Benefit Obligation ("PBO") at the beginning of the year	18.25	14.58	10.37
Current service cost	3.14	3.46	4.45
Past service cost	-	1.99	-
Interest cost	1.17	0.76	0.73
Remeasurements due to:			
- Effect of change in financial assumptions	0.21	(0.38)	0.46
- Effect of change in demographic assumptions	-	-	(0.05)
- Effect of experience adjustments	(2.12)	0.09	(1.38)
Benefits paid	(1.93)	(2.25)	-
<b>Present value of obligation at the end of the year</b>	<b>18.72</b>	<b>18.25</b>	<b>14.58</b>
<b>(b) Current / Non current benefit obligation</b>			
Current	3.11	4.03	4.42
Non-current	15.61	14.22	10.16
<b>Amount recognised in the Consolidated Balance sheet</b>	<b>18.72</b>	<b>18.25</b>	<b>14.58</b>
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<b>(c) Amount recognised in the Consolidated Statement of Profit and Loss</b>			
Current service cost	3.14	3.46	4.45
Past service cost	-	1.99	-
Interest cost	1.17	0.76	0.73
<b>Total expense included in "Employee benefits expense"</b>	<b>4.31</b>	<b>6.21</b>	<b>5.18</b>
<b>(d) Amount recognised in Other Comprehensive Income (OCI)</b>			
Remeasurements due to:			
- Effect of change in financial assumptions	0.21	(0.38)	0.46
- Effect of change in demographic assumptions	-	-	(0.05)
- Effect of experience adjustments	(2.12)	0.09	(1.38)
<b>Actuarial (gain)/ loss recognised in Other comprehensive income</b>	<b>(1.91)</b>	<b>(0.29)</b>	<b>(0.97)</b>

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')  
Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information  
(Amounts in ₹ million, unless otherwise stated)

(e) Assumptions

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Discount rate	7.00%	7.25%	6.75%
Salary escalation rate	10.00%	10.00%	10.00%
Withdrawal rate	20.00%	20.00%	20.00%
Mortality table	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate
Retirement age	58 years	58 years	58 years

(f) Maturity pattern for defined benefit obligations

Expected cash flows	March 31, 2019	March 31, 2018	March 31, 2017
Year 1	2.95	3.99	1.93
Year 2	2.75	2.64	2.12
Year 3	2.64	2.44	1.66
Year 4	2.61	2.29	1.56
Year 5	2.36	2.19	1.46
Year 6-10	7.83	7.12	4.86

(g) Sensitivity Analysis:

Defined benefit obligation	18.72	18.25	14.58
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	March 31, 2019			March 31, 2018	
	Change in the assumption	Increase in profit before tax	Decrease in profit before tax	Increase in profit before tax	Decrease in profit before tax
Discount rate	50 bps	0.62	0.24	0.50	0.21
Salary growth rate	50 bps	0.54	0.15	0.42	0.11

	March 31, 2017		
	Change in the assumption	Increase in profit before tax	Decrease in profit before tax
Discount rate	50 bps	0.26	0.27
Salary growth rate	50 bps	0.19	0.20

III. Compensated absences

The Group has written back ₹ 0.97 million (provided for year ended March 31, 2018: ₹ 1.36 million, March 31, 2017: ₹ 2.25 million) towards compensated absences during the year ended March 31, 2019.

**45 Business combinations****(a) Summary of acquisition**

On September 08, 2016, pursuant to a deal, the Group acquired 100% of the issued shared capital of Cellent Technologies India Private Limited and Start Corp India Private Limited from the acquirees (viz. Siddharth Goel, Aditya Goel, Narendra Goel, Savita Goel, Anirudh Goel and Varun Goel). Both the entities are unlisted and are engaged in providing mass SMS solutions, mobile application developments and VOIP facilities to their clients. The acquisition will lead to strengthening the group's market presence.

On April 01, 2017, pursuant to a deal, the Group acquired 100% of the issued share capital of Call 2 Connect India Private Limited from the acquirees (viz. Anil Kumar Sinha, Vimal Kumar Sekhani and Arabi Holding Group Ltd). The entity is unlisted and is engaged in providing business process outsourcing (BPO), call center and back-end services to clients in telecommunications, banking and other sectors. The acquisition will lead to strengthening the group's IT support services in the market.

On October 01, 2017, pursuant to a deal, the Group acquired 100% of the issued share capital of 365 Squared Limited from the acquirees (viz. Tonio Ellul, Ronnel Prasad and Christopher Bianco). The entity is incorporated under the laws of Malta and is engaged in business of providing solutions to monitor where SMSs are originating. The acquisition will empower the operational efficiency of the group's existing businesses.

**(b) Assets acquired and liabilities assumed recognised as a result of the acquisitions**

Particulars	365 Squared Limited (Fair Value)	Call 2 Connect (Fair Value)	Cellent Technologies India Private Limited (Fair Value)	Start Corp India Private Limited (Fair Value)
Property, plant and equipment	5.93	20.76	0.17	0.16
Intangible assets	90.93	0.99	0.01	0.03
Intangible assets-Customer relationships	640.37	-	-	-
Intangible assets-Non - Compete fees	35.45	-	-	-
Deferred tax assets (net)	-	0.98	-	0.37
Non-current tax assets	-	-	0.67	-
Other non-current assets	-	0.13	5.37	0.00
Current investments	-	-	0.01	0.33
Trade receivables	83.15	77.48	12.29	6.64
Cash and cash equivalents	1.39	3.03	0.76	0.41
Other bank balances	-	-	0.34	-
Non Current loans	-	0.52	-	-
Current loans	-	1.87	19.26	2.90
Other current financial assets	15.57	0.87	-	0.31
Other non-current financial assets	-	0.10	-	-
Current tax assets (net)	-	9.79	-	3.08
Other current assets	-	6.04	3.25	-
Non-current provisions	-	-	-	(0.82)
Deferred tax liabilities (net)	-	-	(0.21)	-
Current borrowings	-	(99.19)	(7.59)	-
Trade payables	(50.83)	(19.87)	(15.63)	(6.74)
Other non-current liabilities	-	(0.08)	-	-
Other current financial liabilities	-	(15.65)	-	(0.04)
Other current liabilities	(13.66)	(21.06)	(26.75)	(0.10)
Current tax liabilities (net)	-	-	(0.44)	-
Current provisions	(34.36)	-	(1.96)	-
<b>Net identifiable assets acquired</b>	<b>773.94</b>	<b>(33.29)</b>	<b>(10.45)</b>	<b>6.53</b>

**(c) Calculation of goodwill**

Particulars	365 Squared Limited	Call 2 Connect	Cellent Technologies India Private Limited	Start Corp India Private Limited
Consideration transferred				
- Cash paid	770.60	48.33	112.74	20.00
- Contingent consideration	594.90	-	-	-
<b>Total purchase consideration</b>	<b>1,365.50</b>	<b>48.33</b>	<b>112.74</b>	<b>20.00</b>
Less: Net identified assets acquired	773.94	(33.29)	(10.45)	6.53
<b>Goodwill</b>	<b>591.56</b>	<b>81.62</b>	<b>123.19</b>	<b>13.47</b>

The goodwill is attributable to the expected high profitability of the acquired businesses. It will not be deductible for tax purposes.

**(d) Note on contingent consideration**

The Group has estimated to pay the selling shareholders of 365squared Limited the additional consideration of EURO 9,400,000 (Equivalent ₹ 724.36 million) in cash by June 2019, linked to target earnings before interest, tax, depreciation and amortisation (EBITDA) vis a vis the actual EBITDA achieved at the end of each year as set forth in the acquisition share purchase agreement (Acquisition SPA).

The Group has included ₹ 594.90 million as contingent consideration related to additional consideration, which represents its fair value at the date of acquisition. As at March 31, 2019 and March 31, 2018, the contingent consideration has increased to ₹ 730.71 million and ₹ 643.79 million respectively (refer Annexure V, note 24) (including unwinding of the discount of ₹ 91.20 million and ₹ 47.90 million respectively, grouped in finance costs).

**Development post adoption of consolidated financial statements for the year ended March 31, 2019 by the Board of Directors i.e June 10, 2019**

The additional consideration payable to the selling shareholders have been confirmed at EURO 9,090,392, based on agreement dated September 25, 2019 executed between the Company and the selling shareholders. Accordingly, the differential amount of EURO 309, 608 (equivalent to ₹ 24.19 million, based on exchange rate on September 25, 2019, the date of agreement execution), as compared to contingent consideration of EURO 9,400,000 recorded earlier, will be credited to the Consolidated Statement of Profit and Loss for the year ending March 31, 2020

**(e) Contingent liability**

Income tax liability of ₹ 5.84 million pertaining to AY 2014-15 was disclosed as contingent liability on acquisition and consolidation of Cellent Technologies India Private Limited (Cellent) during earlier years. The seller of Cellent had contested this demand in the court of law. Further, the Holding Company had retained ₹ 5 million towards the same, with a condition that this amount will be released on favourable conclusion of this matter by the appellate authorities. During the year 2018-19, Cellent has received a favourable order in this regard from the appellate authorities.

During the financial year 2018-19, a service tax audit was conducted on Cellent and the service tax auditors have shared their observations with Cellent, which include an observation on non payment of service tax on reverse charge mechanism on purchase of messaging services, which have been sold outside India. Since the Holding Company has already received show cause notice cum demand in a similar matter, the amount of ₹ 30.03 million forming part of the observations, has been disclosed as contingent liability (refer Annexure V, note 47), based on legal advice obtained by the Holding Company in a similar matter. Also, the retention amount has not been released due to this new development.

**Development post adoption of consolidated financial statements for the year ended March 31, 2019 by the Board of Directors i.e June 10, 2019**

Cellent has discharged an amount of INR 0.14 million during August 2019 in relation to messaging services imported and consumed in India and also responded on the service tax audit observations indicating their disagreement. Consequently, Cellent has received a show cause notice seeking their response on why service tax of INR 29.89 million should not be levied in the concerned matter.

**(f) Acquisition related costs**

Acquisition related costs of ₹ 0.54 million, ₹ 0.09 million and ₹ 4.24 million relating to acquisition of Cellent Technologies India Private Limited, Start Corp India Private Limited and 365 Squared respectively, was charged to statement of profit and loss as other expenses and disclosed in operating cash flows in the statement of cash flows. There are no acquisition related costs in relation to Call 2 Connect.

**(g) Revenue and profit contribution**

The acquired businesses contributed revenues and profits to the group for the year ended March 31, 2018 and March 31, 2017 as follows:

(a) Cellent Technologies India Private Limited - Revenue of ₹ 73.14 million and profit of ₹ 16.85 million for the period September 09, 2016 to March 31, 2017.

(b) Start Corp India Private Limited - Revenue of ₹ 25.12 million and profit of ₹ 0.70 million for the period September 09, 2016 to March 31, 2017

(c) Call 2 Connect India Private Limited - Revenue of ₹ 153.17 million and loss of ₹ 40.68 million for the period April 01, 2017 to March 31, 2018

(d) 365 Squared Limited - Revenue of ₹ 507.76 million and profit of ₹ 67.06 million for the period October 1, 2017 to March 31, 2018

If the acquisitions had occurred on April 01, 2017 and April 01, 2016 respectively, consolidated pro-forma revenue and profit for the year ended March 31, 2018 would have been ₹ 5,541.10 million and ₹ 534.94 million respectively and for year ended March 31, 2017 would have been ₹ 4,636.68 million and ₹ 589.28 million respectively.

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**46 Interest in other entities**

The Consolidated Financial Statements present the Consolidated Accounts of Route Mobile Limited and its following subsidiaries and associate

Sr. No	Relationship	Name of the Subsidiary/Associate	Principal place of business and country of incorporation	Proportion of ownership interest March 31, 2019	Proportion of ownership interest March 31, 2018	Proportion of ownership interest March 31, 2017
1	Subsidiary	Route Mobile (UK) Limited	UK	100%	100%	100%
2	Subsidiary	Sphere Edge Consulting India Private Limited	India	100%	100%	100%
3	Subsidiary	RouteSMS Solutions (FZE) Limited	UAE	100%	100%	100%
4	Subsidiary	RouteSMS Solutions Nigeria Limited	Nigeria	100%	100%	100%
5	Subsidiary	Cellent Technologies India Private Limited	India	100%	100%	100%
6	Subsidiary	Start Corp India Private Limited	India	100%	100%	100%
7	Subsidiary	Route Mobile Pte. Ltd. - Singapore	Singapore	100%	100%	100%
8	Subsidiary	Call 2 Connect India Private Limited	India	100%	100%	-
9	Subsidiary	Route Connect Private Limited	India	100%	-	-
10	Associate	Defero Mobile (Thailand) Co. Ltd.*	Thailand	Nil	Nil	34%

\* This company closed its operations on January 31, 2018

## 47 Commitments and contingencies

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>A] Claims against the group not acknowledged as debts</b>			
Income tax matter*	-	5.84	5.84
Service tax matters*	562.28	506.78	250.03
Guarantees given on behalf of the group by banks	61.07	36.12	70.14
	<b>623.35</b>	<b>548.74</b>	<b>326.01</b>
<b>B] Other commitments</b>			
For payment of lease	121.13	177.36	68.01
For purchase of property	-	-	5.47
	<b>121.13</b>	<b>177.36</b>	<b>73.48</b>

\*The above figure does not include amounts towards certain additional penalty and interest that may devolve on the Group in the event of an adverse outcome as the same is subjective and not capable of being presently quantified.

**i) Service tax matter of Holding Company:**

The Service tax department ("department") had issued a Show Cause cum Demand Notice (SCDN) to the Holding Company vide letter F No. DGCEI/MZU/I&IS'C/12(3)30/2016 dated April 21, 2017, based on the understanding that the Holding Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period, October 2011 to March 2016, amounted to ₹ 250.03 million excluding interest and penalty. The said matter was under dispute with Commissioner. The Commissioner of CGST, Mumbai has confirmed the demand vide his order dated June 27, 2018. The Holding Company has filed an appeal with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai (CESTAT) and paid an amount of ₹ 18.75 million under protest.

During the year ended March 31, 2019, the Service tax department ("department") has issued a Show Cause cum Demand Notice (SCDN) to the Holding Company dated January 17, 2019, based on the understanding that the Holding Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period April 2016 to June 2017, amounted to ₹ 25.47 million excluding interest and penalty.

Based on grounds outlined in an independent legal opinion, the Management believes that the outcome will be in the favour of the Holding Company and accordingly no provision for liability has been recognised in the consolidated financial statements and the demand has been disclosed as contingent liability.

**ii) Provident Fund (as applicable to India entities)**

The Honourable Supreme Court, has passed a judgement on February 28, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Indian entities, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Indian Entities, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

**iii) Non compliance with FEMA regulations by the Holding Company**

The outstanding balances in books of the Holding Company as at March 31, 2019 include trade payables aggregating ₹ 133.38 million and trade receivables aggregating ₹ 68.20 million, to/from subsidiaries situated outside India. These balances are pending for settlement and have resulted in delays in remittance of payments and receipts of receivables, beyond the timeline stipulated by the FED Master Direction No. 17/2016-17 and the FED Master Direction No. 16/2015-16 respectively, under the Foreign Exchange Management Act, 1999. The management of the Holding Company has filed necessary applications with the appropriate authority for condonation of delays and regularising these defaults. Pending conclusion of the aforesaid matter, the amount of fine/penalty, if any, that may be levied, is not ascertainable and accordingly, the consolidated financial statements do not include any adjustments that may arise due to such fine/penalty.

**48 Leases**

- a The Group has entered into Operating lease agreements for few office facilities and such leases are basically cancellable in nature.

Lease rent expense recognised in the Consolidated Statement of profit and loss for the year ended March 31, 2019 in respect of operating leases is ₹ 68.21 million (Year ended March 31, 2018: ₹ 84.99 million, March 31, 2017: ₹ 51.74 million).

Certain non-cancellable operating leases extend upto a maximum of three years from their respective dates of inception. Some of such lease agreements have a price escalation clause. Maximum obligations on long term non-cancellable operating leases in accordance with the rent stated in the respective agreements are as under:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Not later than 1 year	33.64	56.23	44.50
Later than 1 year but not later than 5 years	87.49	121.13	23.51
Later than 5 years	-	-	-
<b>Total</b>	<b>121.13</b>	<b>177.36</b>	<b>68.01</b>

- b The Group has taken computers and computer servers on finance lease. The future lease rent payable on such assets taken on finance lease are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
<b>Minimum lease payments</b>			
Not later than 1 year	11.47	11.47	11.47
Later than 1 year but not later than 5 years	5.73	17.20	28.67
Later than 5 years	-	-	-
<b>Present value of minimum lease payments</b>			
Not later than 1 year	10.40	9.74	9.02
Later than 1 year but not later than 5 years	5.57	15.98	25.84
Later than 5 years	-	-	-



Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

(Amounts in ₹ million, unless otherwise stated)

49 Segment reporting

The Group's chief operating decision maker - Board of Directors, for evaluating group performance and for allocating resources based on analysis of various performance indicators, has identified four operative segments by geography.

Segment reporting as at and for the year ended March 31, 2019

Particulars	India	Dubai	United Kingdom	Nigeria	Unallocated	Eliminations	Total
<b>Segment revenue</b>							
External revenue	3,723.87	757.24	2,476.97	616.16	872.44	-	8,446.68
Inter-segment revenue	415.12	571.10	1,414.92	14.82	737.28	(3,153.24)	-
<b>Total revenue</b>	<b>4,138.99</b>	<b>1,328.34</b>	<b>3,891.89</b>	<b>630.98</b>	<b>1,609.72</b>	<b>(3,153.24)</b>	<b>8,446.68</b>
<b>Segment Results</b>	<b>103.06</b>	<b>226.38</b>	<b>260.52</b>	<b>14.66</b>	<b>86.17</b>	<b>0.38</b>	<b>691.17</b>
Add/(less) :							
Other income							77.09
Finance costs							113.58
<b>Profit before tax</b>							<b>654.68</b>
<b>Less: Tax expense</b>							
Current tax							112.19
Deferred tax expense/(credit)							(14.98)
<b>Profit for the year before non-controlling interests</b>							<b>557.47</b>
Less: Attributable to non-controlling interests							14.14
<b>Profit for the year</b>							<b>571.61</b>
<b>Other segment information:</b>							
1. Segment assets	2,562.88	1,369.33	3,376.83	125.40	89.84	(2,652.52)	4,871.76
2. Segment liabilities	1,641.19	382.42	3,035.14	79.01	155.35	(2,630.77)	2,662.34
3. Non-current assets**	435.19	73.70	105.81	0.08	1,378.94	(21.08)	1,972.64
4. Depreciation and amortisation expenses	59.10	5.72	104.88	0.02	2.54	-	172.26

\*\* Non-current assets are excluding financial assets, deferred tax assets and investment in associate

Segment reporting as at and for the year ended March 31, 2018

Particulars	India	Dubai	United Kingdom	Nigeria	Unallocated	Eliminations	Total
<b>Segment revenue</b>							
External revenue	1,926.58	1,266.88	1,232.53	412.07	211.42	-	5,049.48
Inter-segment revenue	388.12	340.37	619.77	66.72	1.72	(1,416.70)	-
<b>Total revenue</b>	<b>2,314.70</b>	<b>1,607.25</b>	<b>1,852.30</b>	<b>478.79</b>	<b>213.14</b>	<b>(1,416.70)</b>	<b>5,049.48</b>
<b>Segment Results</b>	<b>121.56</b>	<b>343.00</b>	<b>(17.03)</b>	<b>22.29</b>	<b>94.81</b>	<b>25.54</b>	<b>590.17</b>
Add/(less) :							
Other income							45.37
Finance costs							63.33
<b>Profit before tax</b>							<b>572.21</b>
<b>Less: Tax expense</b>							
Current tax							109.40
Deferred tax expense/(credit)							(10.44)
<b>Profit for the year before non-controlling interests</b>							<b>473.25</b>
Less: Attributable to non-controlling interests							11.67
<b>Profit for the year</b>							<b>484.92</b>
<b>Other segment information:</b>							
1. Segment assets	1,894.63	989.16	2,628.98	105.32	221.00	(1,605.71)	4,233.38
2. Segment liabilities	993.92	292.87	2,369.71	71.39	386.63	(1,581.33)	2,533.19
3. Non-current assets**	310.47	74.84	81.57	0.86	1,286.49	219.26	1,973.49
4. Depreciation and amortisation expenses	66.06	6.11	50.65	-	1.74	-	124.56

\*\* Non-current assets are excluding financial assets, deferred tax assets and investment in associate

Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')

Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information

Segment reporting as at and for the year ended March 31, 2017

Particulars	India	Dubai	United Kingdom	Nigeria	Unallocated	Eliminations	Total
<b>Segment revenue</b>							
External revenue	1,692.16	1,960.92	433.91	443.21	45.61	-	4,575.81
Inter-segment revenue	643.65	22.27	16.31	-	-	(682.23)	-
<b>Total revenue</b>	<b>2,335.81</b>	<b>1,983.19</b>	<b>450.22</b>	<b>443.21</b>	<b>45.61</b>	<b>(682.23)</b>	<b>4,575.81</b>
<b>Segment Results</b>	<b>343.47</b>	<b>380.28</b>	<b>(2.30)</b>	<b>24.26</b>	<b>(0.27)</b>	<b>4.20</b>	<b>749.64</b>
Add/(less) :							
Other income							72.51
Finance costs							6.68
<b>Profit before tax</b>							<b>815.47</b>
<b>Less: Tax expense</b>							
Current tax							214.69
Deferred tax expense/(credit)							(6.16)
<b>Profit for the year before non-controlling interests</b>							<b>606.94</b>
Less: Attributable to non-controlling interests							0.13
<b>Profit for the year</b>							<b>607.07</b>
<b>Other segment information:</b>							
1. Segment assets	1,490.08	412.43	110.71	87.95	47.87	(142.49)	2,006.55
2. Segment liabilities	607.17	66.18	66.17	65.67	43.51	(115.98)	732.72
3. Non-current assets**	302.87	10.87	4.36	0.45	-	138.30	456.85
4. Depreciation and amortisation expenses	49.34	2.68	2.14	-	-	-	54.16

\*\* Non-current assets are excluding financial assets, deferred tax assets and investment in associate

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')****Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information****(Amounts in ₹ million, unless otherwise stated)****50 Employee Stock Option Plan (ESOP)**

The Holding Company has implemented Employee Stock Option Plan for the employees of the Holding Company and its subsidiaries through Route Mobile Employee Welfare Trust (the "trust") formed for the purpose. All the options issued by the Holding Company are equity share based options which have to be settled in equity shares only. The shares are to be allotted to employees under the ROUTE MOBILE LIMITED - Employee Stock Option Plan 2017 (the 'ESOP scheme'). The shareholders at its meeting held on October 12, 2017 approved grant of 2,500,000 employee share options to eligible employees under the ESOP scheme of Holding Company.

I. The position of the Employee Stock Option Scheme of the Holding Company as at March 31, 2019 is as under:

Sr. No.	Particulars	ESOP Scheme
1	Details of approval	Resolution passed by Nomination and Remuneration committee in the meeting dated October 05, 2017 and the shareholders, in the Extra ordinary General Meeting held on October 12, 2017 had approved the grant of 2,500,000 employee stock options in accordance with the ESOP Scheme, equivalent to 5% of the issued and paid up share capital of the Holding Company.
2	Implemented through	Trust
3	Total number of stock options approved	2,500,000
4	Total number of stock options granted	1,452,500
5	Vesting schedule	Each 25% of granted options shall vest on October 12, 2018, October 12, 2019, October 12, 2020 and October 12, 2021 respectively.
6	Maximum term of Options granted (years)	4
7	Source of shares (Primary, Secondary or combination)	Primary
8	Price per option	₹ 300/-
9	The exercise period and process of exercise	Exercise anytime within five years from date of vesting.

**II. Method used to account for ESOP**

The Holding Company has recorded compensation cost for all grants made to employees under the fair value method of accounting. The fair value of each option granted is estimated on the date of grant using Discounted cash flow method.

There was no material change in the fair value of the option from the date of valuation to grant date, hence there is no charge in the statement of profit and loss on account of ESOP.

**III. Weighted average exercise price of Options granted**

Exercise price equals fair market value	₹ 300
Exercise price is greater than fair market value	Nil
Exercise price is less than fair market value	Nil

**IV. Weighted average fair value of Options granted**

Exercise price equals fair market value	₹ 300
Exercise price is greater than fair market value	Nil
Exercise price is less than fair market value	Nil

**V. Employee-wise details of options granted****(i) Employees who were granted, options amounting to 5% or more of the options**

Sr. No.	Name of Employee	Designation	Exercise Price per share ( ₹ )	Number of Options granted
1	Mr. Rahul Pandey	Chief Credit Officer	300.00	150,000

**(ii) Identified employees who were granted options, equal to or exceeding 1% of the issued capital of the Company at the time of grant**

Sr. No.	Name of Employee	Designation	Exercise Price per share ( ₹ )	Number of Options granted
1	Nil	Nil	Nil	Nil

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**VI. The movement of stock options are summarized below:**

Particulars	Number of options	
	March 31, 2019	March 31, 2018
Outstanding at the beginning of the year	1,452,500	Nil
Options granted during the year	Nil	1,452,500
Options forfeited / lapsed during the year *	185,250	Nil
Options exercised during the year	Nil	Nil
Options expired during the year	Nil	Nil
Options outstanding at the end of the year	1,267,250	1,452,500
Options exercisable at the end of the year	321,875	Nil

\*excludes 3,750 options lapsed after March 31, 2019 in respect of employees who have been resigned as at March 31, 2019

Unallocated options as at March 31, 2019 are 1,232,750 options (including 185,250 options lapsed and available for future grants)

**VII. The exercise price and expected remaining contractual life (comprising the vesting period and exercise period) of options outstanding as at March 31, 2019 is as follows:**

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share ( ₹ )	Expected remaining contractual life (Months)
1	October 13, 2017 *	363,125	October 12, 2018	October 11, 2023	300	54 months
2	October 13, 2017	363,125	October 12, 2019	October 11, 2024	300	66 months
3	October 13, 2017	363,125	October 12, 2020	October 11, 2025	300	78 months
4	October 13, 2017	363,125	October 12, 2021	October 11, 2026	300	90 months

*	Options granted	Options vested	Options lapsed	Options exercisable
	363,125	332,625	41,250	321,875

**VIII. The exercise price and expected remaining contractual life (comprising the vesting period and exercise period) of options outstanding as at March 31, 2018 is as follows:**

Sr. No.	Grant Date	Number of Options granted	Vesting Date	Exercise End Date	Exercise Price per share ( ₹ )	Expected remaining contractual life (Months)
1	October 13, 2017	363,125	October 12, 2018	October 11, 2023	300	66 months
2	October 13, 2017	363,125	October 12, 2019	October 11, 2024	300	78 months
3	October 13, 2017	363,125	October 12, 2020	October 11, 2025	300	90 months
4	October 13, 2017	363,125	October 12, 2021	October 11, 2026	300	102 months

**IX. Assumptions:**

Sr. No.	Particulars	Particulars
1	Risk Free Interest Rate	6.70%
2	Expected Life (years)	4
3	Expected Volatility	56%
4	Market Risk Premium	8.82%
5	Cost of debt	11.00%
6	Terminal Growth Rate	4.00%
7	Cost of capital	11.06%

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure V: Statement of Notes to the Restated Ind AS Consolidated Financial Information**

(Amounts in ₹ million, unless otherwise stated)

**51 Earnings per share**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
Net profit after tax attributable to equity shareholders of the Holding Company	571.61	484.92	607.07
Weighted average number of shares outstanding during the year - Basic and diluted	50,000,000	50,000,000	50,000,000
Basic and diluted earnings per share (₹)	11.43	9.70	12.14
Nominal value per equity share (₹)	10	10	10

Diluted EPS is not impacted due to Route Mobile Limited - Employee Stock Option Plan 2017 as options have been granted at fair value.

The issue of bonus shares is an issue without consideration, hence the issue is treated as if it had occurred prior to the beginning of the year 2016-17, i.e the earliest period reported.

**52 Contribution towards Corporate Social Responsibility (CSR)**

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
<u>Details of CSR expenditure of Holding company: -</u>			
Amount required to be spent as per Section 135 of the Act	6.41	6.27	4.73
Amount spent during the year on,			
(i) Construction/acquisition of any assets	-	-	-
(ii) For purpose other than (i) above	7.69	4.22	1.34

**53 Statement of cash received and deposited during demonetisation period**

	Specified Bank Notes	Other denomination notes	Total
<b>Closing cash on hand as at November 08, 2016</b>	0.44	0.03	0.47
(+) Permitted receipts	-	0.01	0.01
(+) Withdrawal from bank accounts	-	0.35	0.35
(-) Permitted payments	-	(0.27)	(0.27)
(-) Amount deposited in banks	(0.44)	(0.02)	(0.46)
<b>Closing cash on hand as at December 30, 2016</b>	<b>-</b>	<b>0.10</b>	<b>0.10</b>

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure VI: Restated Ind AS Consolidated Statement of Accounting Ratios**  
**(Amounts in ₹ million, unless otherwise stated)**

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
<b>A</b> Net worth attributable to equity shareholders	2,228.24	1,706.77	1,268.65
<b>B</b> Net profit after tax, as restated	571.61	484.92	607.07
<b>Weighted average number of equity shares outstanding during the year</b>			
<b>C</b> For basic earnings per share	50,000,000	50,000,000	50,000,000
<b>D</b> For diluted earnings per share	50,000,000	50,000,000	50,000,000
<b>E</b> Number of shares outstanding at the end of the year	50,000,000	50,000,000	50,000,000
<b>F</b> Restated basic earnings per share (₹) <b>(B/C)</b>	11.43	9.70	12.14
<b>G</b> Restated diluted earnings per share (₹) <b>(B/D)</b>	11.43	9.70	12.14
<b>H</b> Return on net worth (%) <b>(B/A)</b>	25.65%	28.41%	47.85%
<b>I</b> Net assets value per share of ₹ 10 each <b>(A/E)</b>	44.56	34.14	25.37
<b>J</b> Earnings before Interest, tax, depreciation and amortization (EBITDA)	940.52	760.10	876.31
<b>K</b> Face value (₹)	10.00	10.00	10.00

**Notes:**

1. The ratios have been computed as below:

Basic earnings per share (₹) =	$\frac{\text{Net profit after tax, as restated}}{\text{Weighted average number of equity shares outstanding during the year}}$
Diluted earnings per share (₹) =	$\frac{\text{Net profit after tax, as restated}}{\text{Weighted average number of potential equity shares outstanding during the year}}$
Return on net worth (%) =	$\frac{\text{Net profit after tax, as restated}}{\text{Net worth as restated as at year end}}$
Net asset value per share (₹) =	$\frac{\text{Net worth, as restated}}{\text{Number of equity shares outstanding as at year end}}$

2. Earnings before interest, tax, depreciation and amortization (EBITDA) has been arrived at by adding back depreciation and amortisation and finance cost to the Profit before tax appearing in Annexure II- Restated Consolidated Statement of Profit and Loss.

3. Earnings per share (EPS) calculation is in accordance with the notified Indian Accounting Standard (Ind AS) 33, 'Earnings per share' prescribed by the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

4. The amounts disclosed above are based on the Restated Ind AS Consolidated Financial Information of the Group.

5. Net worth for the ratios represents sum of share capital and other equity (includes statutory reserve, foreign currency translation reserve and retained earnings).

6. The issue of bonus shares is an issue without consideration, hence the issue is treated as if it had occurred prior to the beginning of the year 2016-17, i.e the earliest period reported.

7. Diluted EPS is not impacted due to Route Mobile Limited - Employee Stock Option Plan 2017 as options have been granted at fair value.

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**

**Annexure VII: Restated Consolidated Statement of Capitalisation**

(Amounts in ₹ million, unless otherwise stated)

Particulars	Pre - Issue as at March 31, 2019	As adjusted for issue
<b>Borrowings:</b>		
Current borrowings	731.62	-
Non-current borrowings (including current maturities) (A)	58.91	-
<b>Total borrowings (B)</b>	<b>790.53</b>	-
<b>Total equity</b>		
Equity share capital	500.00	-
Other equity	1,728.24	-
<b>Total capital (C)</b>	<b>2,228.24</b>	-
<b>Non-current borrowings/ Total equity (A/C)</b>	0.03	-

**Notes:**

1. The amounts disclosed above are based on the Restated Ind AS Consolidated Financial Information of the Group.

\* These amounts (as adjusted for issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished.

*(This space has been intentionally left blank)*

**Route Mobile Limited (Formerly known as 'Routesms Solutions Limited')**  
**Annexure VIII: Restated Consolidated Ind AS Statement of Dividend declared**  
**(Amounts in ₹ million, unless otherwise stated)**

Particulars	As at and for the year ended March 31		
	2019	2018	2017
Equity share capital ( ₹ in million)	500.00	500.00	500.00
Number of equity shares (in million)	50.00	50.00	50.00
Face value per share (₹)	10.00	10.00	10.00
<b>Dividend on equity shares</b>			
Final Dividend Rate	15%	15%	-
Interim Dividend Rate	-	-	-
Final Dividend (₹ in million)	75.00	75.00	-
Interim Dividend (₹ in million)	-	-	-
Tax on dividend including surcharge (₹ in million)	15.42	-	-

1. The above statement should be read with the Statement of Notes to the Restated Consolidated Financial Information in Annexure V.

2. For the year ended March 31, 2017, the Board of Directors of the Holding Company at its meeting held on September 04, 2017 had recommended final dividend of ₹ 75 million (₹ 1.5 per equity share) which was approved by the shareholders in the Annual General Meeting of the Holding Company held on September 22, 2017. The final dividend was declared and paid during the year ended March 31, 2018. During the financial year 2016-17, the Holding Company had received dividend from its foreign subsidiary, Routesms Solutions (FZE) ("RSMS Dubai") amounting to ₹ 355.40 million. Tax on such dividend received, was paid by the Holding Company u/s 115BBD of the Income tax Act, 1961.

The amount of dividend liable to payment of Dividend Distribution Tax (DDT) u/s 115-O(1A)(i)(b) of the Income tax Act, 1961, will be based on the amount of dividend to be declared by the Holding Company as reduced by the amount of dividend, if any, received from a foreign subsidiary company and tax on such balance dividend is payable by the domestic company u/s 115BBD.

As tax u/s 115BBD was paid by the Holding Company on the dividend received and such dividend received is greater than the amount of dividend declared, no dividend distribution tax is payable on the dividend declared by the Holding Company during the year ended March 31, 2018.

As per our examination report of even date attached

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of  
**Route Mobile Limited**  
**(Formerly known as Routesms Solutions Limited)**

**Bharat Shetty**  
Partner  
Membership No.: 106815

**Chandrakant Gupta**  
Chairman  
(DIN No. 01636981)

**Sandipkumar Gupta**  
Director  
(DIN No. 01272932)

**Rajdipkumar Gupta**  
Managing Director  
(DIN No. 01272947)

**Rathindra Das**  
Company Secretary  
(Membership No.: A24421)

**Suresh Jankar**  
Chief Financial Officer

Place : Mumbai  
Date : September 30, 2019

Place : Mumbai  
Date : September 30, 2019



## OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations:

- The standalone audited financial statements of our Company for Fiscal 2017, 2018 and 2019;
- The audited financial statements of Route Mobile (UK) Limited for Fiscal 2017, 2018 and 2019;
- The audited financial statements of RouteSms Solutions FZE, UAE for Fiscal 2017, 2018 and 2019;
- The audited financial statements of 365squared Limited for fifteen months period ended on March 31, 2018;

(Collectively, the “*Audited Standalone Financial Statements*”) are available on our website at ‘<https://routemobile.com/investors/>’.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Standalone Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, its Subsidiaries or any entity in which its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

For details of accounting ratios, see “*Annexure VI: Restated Statement of Accounting Ratios*” of the “*Financial Information*” on page 189.

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## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at March 31, 2019, on the basis of our Restated Financial Information, and as adjusted for the proposed Offer. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Statements*” and “*Risk Factors*” beginning on pages 316, 189 and 23, respectively.

<i>(in ₹ million)</i>		
Particulars	Pre-Offer as at March 31, 2019	As adjusted for the proposed Offer
Short-term borrowings	731.62	[●]
Long-term borrowings (including current maturities)	58.91	[●]
<b>Total borrowings</b>	<b>790.53</b>	<b>[●]</b>
Equity share capital	500.00	[●]
Other equity	1,728.24	[●]
<b>Total equity</b>	<b>2,228.24</b>	<b>[●]</b>
Ratio: Non-current borrowings/Total equity	0.03	[●]

### Notes:

1. *Short-term borrowings implies borrowings repayable within 12 months from the date of sanction of loan.*
2. *Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in other current liabilities)*
3. *The amounts disclosed above are based on the Restated Financial Information.*

*\*These amounts (as adjusted for issue) are not determinable at this stage and hence have not been furnished.*

## FINANCIAL INDEBTEDNESS

We avail loans in the ordinary course of business for meeting our working capital and business requirements. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities, such as change in our capital structure, change in our Board of Directors, change in the remuneration of the directors, change in our Articles of Association and Memorandum of Association.

The details of aggregate indebtedness of our Company on a consolidated basis as on September 25, 2019 is provided below:

### Facilities availed directly by our Company (taken on a consolidated basis)

<i>(in ₹ million)</i>		
Category of borrowing	Sanctioned amount	Outstanding amount
<b>Secured Borrowings (A)</b>		
Working capital facilities		
Fund based	1,567.00	369.65
Non – fund based	171.80	16.78
Term Loan from Bank	46.64	42.12
Finance lease obligation	37.72	10.94
<b>Total secured facilities (A)</b>	<b>1,823.16</b>	<b>439.49</b>
<b>Unsecured Borrowings (B)</b>		
<b>Total unsecured facilities (B)</b>	-	-
<b>Total Borrowings (A+B)</b>	<b>1,823.16</b>	<b>439.49</b>

### Principal terms of the Borrowings:

The details provided below are indicative and there may be additional terms, conditions and requirements applicable to our Company.

- Interest:** In terms of the working capital facilities, the interest rate payable with respect to certain facilities is mutually decided between the relevant lender and our Company and is typically fixed or linked to a benchmark rate or the base rate of a specific lender and margin of the specific lender. The spread varies between different loans.
- Cross Default:** Certain facilities carry cross default which shall constitute an event of default. Any default in fulfilling our obligations to any lenders will trigger the cross default obligations with the other lenders.
- Validity/Tenor:** The tenor of the short term loans availed by us range from six months to one year. The availability period for usage of the other working capital facilities typically range from three to twelve months (subject to renewal) while the tenor of the guarantee facilities typically range from one year to three years (including claim period) and the tenor of the other working capital facilities within such availability period range from ninety days to one year.
- Repayment:** The loans availed by our Company are typically repayable in monthly/quarterly instalments and the working capital facilities are typically repayable on demand or before the expiry of the tenure of the working capital facility.
- Security:** In relation to our secured Borrowings, our Company has typically provided the following security:
  - Charge on current assets such as *inter alia* stock of raw materials, goods-in-process, semi-finished and finished goods, consumable stores and spares goods, book-debts, existing and future, and entire movable and/or fixed assets of the Company, as applicable.
  - Existing and future charge on the immovable properties of the Company, as applicable

- Pledge on open ended debt mutual fund units.

Additionally, in certain cases the facilities may also require our Promoters, Sandipkumar Gupta and Rajdipkumar Gupta to provide personal guarantees in favour of the lenders as security.

6. **Key Covenants:** Certain of our financing arrangements in relation to our Borrowings contain restrictive covenants and conditions restricting certain corporate actions, and we are required to take the prior approval of the relevant lender before carrying out such actions, including:

- amend or modify the constitutional documents, except as required by the Bank or the applicable law;
- create, assume or incur any further indebtedness of a long term nature (including borrowing, standing as surety or issuing guarantees) whether for borrowed money or otherwise, nor declare any dividend until the obligations have been paid in full;
- directly or indirectly enter into contract, create, incur, assume or suffer to exist any indebtedness, wither secured or unsecured (whether incurred as principal or as surety, whether present or future, actual or contingent);
- entre into any compromise with any of its creditors or shareholders, or enter into any other arrangements, mergers, amalgamations, consolidations, structuring, restructuring, spin offs, hive offs;
- change the constitution, composition, undertake merger, de – merger, consolidation, reorganisation, dissolution or reconstitution scheme of arrangement or compromise with the creditors or shareholders or effect any scheme of amalgamation, reconstruction or dissolution or reconstitution including creation of any subsidiary or permit any company to become its subsidiary;
- make any amendments in the borrowers’ constitutional documents/ memorandum and articles nor change the composition/ constitution of the borrower.
- there shall be no change in the shareholding pattern of the promoters, shareholders (including by issue of new shares and transfer of shares) or in the borrowers’ management without Banks prior written consent.
- invest any funds by way of deposits or loans or in share capital of any other concerns (including subsidiaries) so long as any money remains due to the bank; the borrower will however be free to deposit funds by way of security with third party in the normal course of business or if required for the business;
- create or permit to subsist any encumbrance or any type of preferential arrangement (including retention arrangements or escrow arrangements having the effect of granting security), in any form whatsoever or any of its assets (including uncalled share capital or any part thereof and those offered as securities hereunder), or (whether voluntarily or involuntarily) sell, transfer, grant lease or otherwise dispose of or deal with any of the assets or do or allow anything to be done that may prejudice the security created in favour of the bank;
- declare or pay any dividend or authorise or make any distribution to its shareholders / members, partners or permit withdrawal of amounts brought in (i) unless it has paid all the dues in respect of the facilities upto the date on which the dividend is proposed to be declared or paid / such distribution is to be made, or has made provisions therefore satisfactory to the bank; or (ii) if an event of default has occurred and is subsisting or would occur as a result of such declaration or payment of dividend or authorisation or making distribution;
- effect any capital withdrawal, in case of delays in debt servicing or breach of financial covenants.
- pay any commission to the promoters, directors, managers, partners or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any incurred by the borrower or in connection with any other obligation undertaken for or by the borrower;
- undertake any new project, diversification, modernization, which are material in nature, or substantial expansion

of its projects;

- make any investments whether by way of deposits, loans or investment in share capital or otherwise in any concern or provide any credit or give any guarantee, indemnity or similar assurance;
- change the accounting method or policies currently followed by the borrower unless expressly required by the applicable law;
- implement a new scheme of expansion or take up an allied line of business or manufacture.
- carry out any material change in its business and / or engage in any business or activities other than those which the borrower is currently engaged in, either alone or in partnership or joint venture with any other person, nor acquire any ownership interest in any other entity or person or enter into any profit – sharing or royalty agreement or other similar arrangement whereby the borrower's income or profits are, or might be, shared with any other entity or person, or enter into any management contract or similar arrangement whereby its business or operations are managed by other person;
- register of transfer shares in the borrower's capital made or to be made by the promoters and their associates except as permitted by the bank;
- effect any change to its capital structure in any manner whatsoever or issue securities whether on a preferential basis or otherwise;
- buy back, cancel, retire, reduce, redeem, re – purchase, purchase or otherwise acquire any of its share capital now or hereafter outstanding or set aside any funds for the foregoing purposes, or delist its shares;
- enter into a single transaction or series of transactions for disposal of any assets other than as permitted by the bank in writing; and
- use the trade names, trademarks, service marks, logos, designs, copyright or other similar proprietary designations, registered or unregistered, owned and / or used by the bank and / or as communicated by the bank.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender that may amount to an event of default under various borrowing arrangements entered into by us.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our Restated Financial Statements for Fiscal 2019, 2018 and 2017, including the related notes, schedules and annexures. Our Restated Financial Statements have been prepared under Indian Accounting Standards ("Ind AS"), the Companies Act, the SEBI ICDR Regulations and "Guidance Note on Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on our Restated Financial Statements for Fiscal 2019, 2018 and 2017 and included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" on page 189. Our financial year ends on March 31, therefore, all references to a particular Fiscal are to the 12-month period ended March 31 of that year.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 17 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 23 for a discussion of certain factors that may affect our business, financial condition and results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.*

*In this section, unless the context otherwise requires, a reference to the "Company" is a reference to Route Mobile Limited on a standalone basis, while any reference to "we", "us" or "our" refers to Route Mobile Limited and its Subsidiaries, as applicable in the relevant fiscal period, on a consolidated basis.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the reports "A2P SMS Messaging Vendor Performance Report 2017" dated June 2017 (the "ROCCO Report 2017") prepared and issued by Roaming Consulting Company Limited commissioned by us and from "Mobile Messaging Markets – SMS, MMS, IM, Email, RCS/RCS-e, Social 2012 – 2017" dated September, 2012, "A2P Messaging: Opportunities, Competition & Forecasts 2017 – 2022" dated November, 2017, "The Internet of Things: Consumer, Industrial & Public Services 2016 – 2021" dated December, 2016 (collectively, the "Juniper Reports") prepared and issued by Juniper Research Limited. Unless otherwise indicated, all financial, operational, industry and other related information derived from the ROCCO Report 2017 and the Juniper Reports and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### Overview

We provide cloud-communication platform as a service ("**CPaaS**") to enterprises, over-the-top ("**OTT**") players and mobile network operators ("**MNOs**"). We were ranked second globally as a tier 1 application-to-peer ("**A2P**") service provider in 2017. We were also ranked first for 'value added services' provided, our 'implementation process' and our 'uptime performance' among tier 1 vendors. (Source: *ROCCO Report 2017*). Our Enterprise solution comprises two primary components – the front-end that provides an interface for enterprises to integrate with, and a back-end which is directly integrated with over 240 MNOs, and provides access to over 800 MNOs across the globe, enabling us to leverage their SMS and voice channels for digital communication ("**Super Network**"). Further, the backend is also integrated with OTT Business Messaging solution providers, and is capable of supporting Rich Communication Services ("**RCS**") business messaging, offering multiple channels of communication to enterprises. Our omni-channel platform enables enterprises to leverage various modes of digital communication to engage with their stakeholders – including customers, employees and vendors.

Our range of enterprise communication services include application-to-peer ("**A2P**") / peer-to-application ("**P2A**") / 2Way Messaging, RCS, OTT business messaging, voice, email, and omni-channel communication. Further, we also offer SMS analytics, firewall, filtering and monetization, SMS hubbing and Instant Virtual Number ("**IVN**") solutions to MNOs across the globe. Our clients include some of the world's largest and well-known organisations, including a number of Fortune Global 500 companies.

We were incorporated in 2004 and are headquartered in Mumbai, India. As of July 31, 2019, we have serviced over

27,500 clients, cumulatively since inception, across sectors including social media, banking and financial services, aviation, retail, internet / e-commerce, logistics, healthcare, hospitality, media and entertainment, pharmaceuticals and telecom. As of July 31, 2019, our global operations included nine direct and 13 step-down subsidiaries serving our clients through 19 locations across Africa, Asia Pacific, Europe, Middle East and North America. Consistent with our strategy of pursuing inorganic growth to deepen our relationship with MNOs and broaden our product and service portfolio, we acquired 365Squared Limited with effect from October 1, 2017, which operates in SMS analytics, firewall, filtering and monetization. Further, we also acquired Call2Connect, effective April 1, 2017, a company which offers voice, non-voice and consulting BPO services to some of the largest enterprises in India.

Our operations are internally aligned into the following business verticals: (i) enterprise; (ii) mobile operator; and (iii) business process outsourcing (“BPO”).

**Enterprise.** Our enterprise vertical primarily provides cloud based communication platform to enterprises to enable digital communication through multiple channels including RCS, A2P / P2A messaging, 2Way Messaging, OTT business messaging, enterprise email and URL shortening; and Mail2SMS. Our platform also provides enterprise voice application services including interactive voice response, Click2Call, missed call facility and outbound dialer, which enable enterprises, to connect incoming and outgoing voice calls to their applications and systems. Our CPaaS platform gives our current and potential customers the ability to leverage our Super Network and APIs to build out their digital communication service needs. We provide a suite of APIs for various communication channels, across multiple geographies that are scalable and flexible to fit the customers’ requirements. We have also recently launched Route Mobile API Developer Network – a program that enables developers to leverage capabilities of our platform and seamlessly deploy digital communication features within their applications / software.

**Mobile Operator.** Our main service offerings in this segment include SMS analytics, firewall, filtering, monetization and CPaaS and hubbing solutions. Our analytics based SMS firewall solution helps MNOs identify grey route traffic terminating on their networks, block grey route traffic, identify the source of such grey route traffic, and monetize such traffic. We have developed multiple engagement models, to offer flexibility to MNOs while using our solution. We typically engage with MNOs on a revenue share model when deploying this solution. Certain MNOs also engage with us for our hubbing solution and CPaaS offerings, to leverage our global connectivity and A2P platform.

**Business Process Outsourcing (BPO).** We provide a range of BPO services including client support, technical support, booking and collection services. Our strategic objective is to integrate our BPO capabilities with our enterprise voice platform and deliver end-to-end offerings to enterprise customers.

We are an associate member of the GSMA and an accredited open hub connectivity solution provider with our internally developed cloud communications platform allowing us to handle both A2P and peer-to-peer (“P2P”) traffic for enterprises, OTT players and MNOs. In the four months ended July 31, 2019, through our cloud communications platform, we processed more than 9.36 billion billable transactions. In Fiscal 2019, our platform managed more than 24.74 billion billable transactions from our clients and was used by more than 3,300 clients while it managed more than 21 billion billable transactions in Fiscal 2018. We have established direct relationships with MNOs that provide our clients with global connectivity. As of July 31, 2019, we had direct relationships with over 240 MNOs and four short messaging service centres hosted in various geographies across the globe. We are able to access more than 800 networks across the world, as of July 31, 2019.

Our revenue from our operations were ₹ 4,575.81 million, ₹ 5,049.48 million and ₹ 8,446.68 million in Fiscal 2017, 2018 and 2019, respectively. The following table shows our revenues generated in domestic and international currencies:

(in ₹ million)						
	Fiscal 2017		Fiscal 2018		Fiscal 2019	
	Revenue	Percentage of Total Billing	Revenue	Percentage of Total Billing	Revenue	Percentage of Total Billing
Domestic	755.77	16.52%	1,005.58	19.91%	1,439.17	17.04%
Export	3,820.04	83.48%	4,043.90	80.09%	7,007.51	82.96%

	Fiscal 2017		Fiscal 2018		Fiscal 2019	
	Revenue	Percentage of Total Billing	Revenue	Percentage of Total Billing	Revenue	Percentage of Total Billing
<b>Total Billing</b>	<b>4,575.81</b>	<b>100.00%</b>	<b>5,049.48</b>	<b>100.00%</b>	<b>8,446.68</b>	<b>100.00%</b>

Our EBITDA for Fiscal 2017, 2018 and 2019 was ₹ 876.31 million, ₹ 760.10 million and ₹ 940.52 million and our EBITDA margins for the same periods were 18.85%, 14.92% and 11.03%, respectively. Our profit for the year, for Fiscal 2017, 2018 and 2019 was ₹ 606.94 million, ₹ 473.25 million and ₹ 557.47 million, respectively.

### Presentation of Financial Information

We have historically prepared our financial statements in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Companies Act, 2013 (referred to as “**Indian GAAP**”). As required under applicable law, our Company transitioned from Indian GAAP to Ind AS commencing April 1, 2016. For purposes of this Draft Red Herring Prospectus, we have prepared the consolidated statement of assets and liabilities as at March 31, 2019, 2018 and 2017, and the statement of profit and loss, statement of cash flows and condensed statement of changes in equity for the years ended March 31, 2019, 2018 and 2017, together with the notes, schedules and annexures thereto (collectively, the “**Restated Financial Statements**”), in accordance with the recognition and measurement principles of Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 and other relevant provisions of the Act to the extent applicable. The Restated Financial Statements have been subject to audit by our Statutory Auditors. The Restated Financial Statements have been restated in accordance with the SEBI ICDR Regulations.

### Acquisitions and Investments

We have made several acquisitions and certain strategic investments in Fiscal 2017 and in subsequent periods. The results of operations of such acquired entities would be reflected in our consolidated financial statements for the relevant fiscal periods only with effect from the effective date of such respective acquisition.

The following table sets forth certain information relating to the various acquisitions and investments announced in Fiscal 2017, 2018 and 2019, and where applicable, the closing date of the relevant transaction:

S. No.	Acquisition/ Investment	Effective Date	Shareholding Acquired	Transaction Consideration	Revenue from Operations of Entity/Investee in Fiscal 2019
1.	365squared Limited	October 1, 2017	100%	Euro 10 million upfront plus earn-out payments in accordance with the relevant share purchase agreement	₹ 1,269.35 million
2.	Call2Connect	April 1, 2017	100%	₹ 56.66 million	₹ 236.32 million
3.	Cellent Technologies	September 9, 2016	100%	₹ 112.74 million	₹ 38.30 million
4.	Start Corp	September 9, 2016	100%	₹ 20 million	₹ 25.17 million

#### *365squared*

We acquired the entire shareholding in 365squared Limited with effect from October 1, 2017. 365squared, a Malta based company, is involved in SMS filtering, analytics, and monetization services.

#### *Call2Connect*



We acquired the entire shareholding of Call2Connect with effect from April 1, 2017. Call2Connect is involved in the BPO business segment.

#### ***Cellent Technologies***

We acquired the entire shareholding of Cellent Technologies with effect from September 9, 2016. Cellent Technologies is engaged in the A2P messaging business, and we expanded our business in the Middle East and Africa through this acquisition.

#### ***Start Corp***

We acquired the entire shareholding of Start Corp with effect from September 9, 2016. Start Corp is engaged in the A2P messaging business, and we expanded our India business through this acquisition.

For further information, see “*History and Certain Corporate Matters*” on page 142.

### **Factors Affecting Results of Operations and Financial Condition**

#### ***Integration of acquired entities***

We have engaged in inorganic growth and strategic acquisitions where we believe doing so is consistent with our strategic goals. For example, in Fiscal 2017, we acquired 365squared. With the acquisition of 365squared, we have been able to expand our service offerings to include SMS filtering, analytics and monetization services. We completed the acquisition of 365squared with effect from October 1, 2017. The acquisition was financed through a Euro denominated loan. The Restated Financial Statements include an amount of ₹ 594.90 million as contingent consideration related to additional consideration payable in connection with the acquisition of 365squared. As of March 31, 2019 and March 31, 2018, the contingent consideration has increased to ₹ 730.71 million from ₹ 643.79 million, respectively. Our financial condition and results of operations were materially impacted by the acquisition of 365squared. While we endeavor to integrate the businesses we acquire, there can be no assurance that the integration will be done successfully or in a time bound manner. See also, “*Risk Factors – Our acquisitions are subject to various risks, including risks relating to the integration of these acquired businesses with our existing operations. We may in the future continue to make strategic acquisitions to grow our business and further diversify service offerings. An inability to identify, complete and successfully integrate such acquisitions could adversely affect our business prospects, results of operations and financial condition.*” on page 26.

#### ***Market for cloud communication services***

Our business and results of operations are affected by changes in demand for our services and solutions, which are primarily driven by the growth of the cloud communications market and the mobile operator software and services market. As a provider of cloud communication services and solutions to enterprises, our results of operations are directly linked to the overall growth of the enterprise cloud communications market, in particular, the A2P messaging market segment.

The size of the global A2P messaging market (including only directly connected A2P revenue) was US\$ 37.9 billion in 2017 and is projected to grow at a CAGR of 4.4%. Emerging markets like Latin America, Africa and Middle East are expected to grow faster. With growing internet penetration, business models are evolving and cloud communication services are being used by enterprises for streamlining back-end operations as well as for engaging with customers, employees and other stakeholders. (Source: Juniper Reports)

Within the cloud communication market, we believe that our results of operations are primarily affected by the growth in the number of smartphones and mobile data traffic, transition of critical services to the cloud – resulting in increased demand for our services and solutions and the corresponding increase in investment in cloud-based solutions by enterprises. There are expected to be 7.72 billion mobile subscribers globally at the end of 2017 that are projected to grow at a CAGR of 2.5% to 8.74 billion by 2022 (Source: Juniper Reports).

#### ***Relationships with Enterprises and MNOs***

Our enterprise division targets enterprises in all industries that need messaging services (including A2P messages, voice applications and mobile connectivity) globally. Our client base in this business vertical has grown from over 20,000 clients as of March 31, 2017 to over 27,500 clients as of July 31, 2019, cumulatively since inception, and includes several Fortune Global 500 companies. We have a diverse enterprise client base across a broad range of industries including banks and financial institutions, e-commerce entities, travel aggregators and social media companies. With respect to our existing enterprise clients, we strive to maintain a close working relationship with these clients and actively upsell to these clients in order to increase the usage of our services and solutions and increase our revenues. We also make significant investments to secure new enterprise clients and have increased our sales and marketing personnel and number of offices and sales representatives. In addition, our relationships with MNOs also has a significant impact on our results of operations. We have a significant number of direct relationships with mobile operators, and provide our enterprise clients with direct access to a global network of over 800 mobile networks, as of July 31, 2019. In addition, as of July 31, 2019, we had direct relationships with over 240 MNOs. Direct relationships reduce our cost of goods sold and services and positively impact gross margin. For example, cost of goods sold and services is generally lower for transactions via the networks of mobile operators with whom we have direct relationships, as we are not required to pay a third-party to facilitate the connection. As a result of our direct relationships with MNOs, we are able to offer our clients with the flexibility of multiple routes and better speed of delivery and also reduce our cost of delivery per message. In addition, as a provider of cloud communication services, direct relationships with MNOs allow them to engage us as their cloud communication service provider partners to strengthen their service portfolio in certain markets. We have also increased the number of employees dedicated to the development and maintenance of its direct relationships. Our profitability may be negatively impacted as a result of increased operating expenses in connection with developing and maintaining direct relationships with such MNOs.

### ***Operational efficiency***

Our ability to maintain operational efficiency affects our results of operations and cash flow and is driven by our size and scalability and cost control relating to administrative, marketing, personnel and general expenses. Furthermore, our global presence and geographic reach have helped us to secure direct relationships and connectivity with a significant number of MNOs, which can reduce costs and increase the geographic scope, quality and security of our offerings. As of July 31, 2019, we served over 27,500 clients, cumulatively since inception, globally through our offices across Africa, Asia Pacific, Europe, Middle East and North America. Our cloud-based delivery platform enables us to build and manage applications without having to create and maintain the underlying infrastructure for each client. We are therefore able to provide enterprises with solutions to operate applications without the need for substantial additional investments in underlying hardware and software. The scalability of our communications platform also helps us become more efficient in managing cost of goods sold and services and personnel costs. We are able to benefit from lower cost of goods sold and services relating to the procurement of additional services or licensing rights when integrating new clients. A failure to scale our services and solutions in a manner that effectively meets our clients demands may reduce our operational efficiency and could therefore, adversely affect our reputation and business, and which might in turn have a material adverse effect on our business, financial condition and results of operations.

### ***Purchase of Messaging Services***

Our results of operations are impacted by our purchase of messaging services from mobile operators. Our purchase of messaging services is our largest expense. As a percentage of total revenue, expenses relating to purchases of messaging services was 70.00%, 66.88% and 78.25% in Fiscal 2017, 2018 and 2019, respectively. As the demand for, and use of, our Company's services increases, we are required to purchase additional messaging services from MNOs, thereby resulting in an increase in our total expenses. The purchase of messaging services is significantly impacted by the dynamics of the markets in which traffic terminates. Certain markets, including Europe, have high costs relating to the purchase of messaging services, while other markets, have lower costs. Such differences in pricing across geographies impacts our financial condition.

### ***Personnel costs***

A principal component of our ability to compete effectively is our ability to attract and retain qualified employees. Personnel-related costs comprise one of our largest operating expenses. Our expenses towards employee benefits

constituted 5.59%, 9.90% and 6.50%, respectively, of our total revenues for the period ended Fiscal 2017, 2018 and 2019.

Our operations have grown significantly in recent years and as a result of the various acquisitions, the number of full-time employees has increased significantly. We have particularly increased the number of sales and marketing employees. These sales and marketing professionals have helped drive our growth and attract new clients. We have invested significantly in the recruitment of mid-level managers and sales and marketing professionals, and expect personnel costs to continue to grow in line with the size of our operations and the expansion of our network of offices. We incur costs for new hires associated with the expansion of our operations, client base and offices. To effectively manage personnel costs, we use our offices for multiple purposes, including for research and development and sales and marketing.

We have granted 1,452,500 options to eligible employees under Route Mobile Limited - Employee Stock Option Plan 2017' ("ESOP 2017"). The objective of the ESOP 2017 is to reward employees who contribute significantly to our profitability and shareholder's value as well as encourage improvement in performance and retention of talent. As of date of this Draft Red Herring Prospectus, the total options in force under the ESOP 2017 are 1,250,500.

### ***Foreign currency exposure***

As of July 31, 2019, our global operations included nine direct and 13 step-down subsidiaries serving our clients through 19 locations across Africa, Asia Pacific, Europe, Middle East and North America and are operations are subject to certain currency risks that arise from currency exposure. Such risks relate to future business transactions, recorded assets and liabilities and net investments in foreign operations. For example, our payables consists primarily of Euro, U.S. Dollar, AED, Naira and Cedi and the receivables comprise mainly of Indian Rupees, Euro, U.S. Dollar, AED, Naira and Cedi. Accordingly, we are exposed on a transactional basis to changes in these foreign exchange rates. In addition, certain of the our results and financial positions are reported in the relevant local currencies, including Euro, U.S. Dollar, Naira and AED, which are translated into Indian Rupees at the applicable exchange rates for inclusion in the consolidated financial statements, which are stated in Indian Rupees. The exchange rates between the local currencies and Indian Rupees have fluctuated significantly and may in the future fluctuate significantly. Any significant appreciation of the Rupee against foreign currencies, especially the USD and the Euro, is likely to have an impact on our ability to compete effectively with international competitors, and maintain or grow our profit margins.

### ***Regulation of markets***

We are subject to regulatory and compliance requirements relating to labour, license requirements, connectivity to telecommunications networks, communication signals and code types, data protection, anti-corruption, anti-money laundering, tax and VAT, antitrust and administrative actions and other regulatory regimes in the markets where we operate. We have policies and procedures in place that are designed to ensure that we operate in compliance with applicable law and that compliance issues, if any, are identified and appropriately elevated within the organization. Based on our prior experience and technical know-how, we believe that we are well positioned to respond and adapt our operations to market regulations. Generally, market regulations and changes in market regulations, particularly in markets with strict regulatory environment, have increased our operating expenses and cost of goods sold and services during the relevant fiscal. New regulations may result in increased costs, as we may be required to invest a significant amount of time and resources to gain certification or approval under newly imposed rules. Costs relating to certifications and approvals differ by market and are highly dependent on the scope of the regulations and our ability to respond and implement new procedures.

### ***Seasonality***

Our business is subject to seasonality and fluctuations in end-customer usage of enterprise communications throughout the year, which can impact the number of communications processed through our platform and our revenues generated from our services and solutions. The extent to which our results and business are subject to seasonality is largely dependent upon the diversity of our client base and the degree to which these clients utilize enterprise communications in connection with seasonal events or periods. For example, clients that operate in the retail and travel industries generally experience periods of increased business activity during the holiday season, which can increase their usage of our services and solutions and thus increase the revenues generated during such periods.

## **Significant Accounting Policies**

The Restated Financial Statements for the years ended March 31, 2019, 2018 and 2017 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof, and comply in all material respects with the requirements of Part I of Chapter to the Companies Act, 2013, the SEBI ICDR Regulations and the “Guidance Note on Reports in Company Prospectus (Revised 2019)” issued by the ICAI.

### ***Critical estimates and judgements***

The preparation of financial statements in conformity with Ind AS requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The management believes that these estimates are prudent and reasonable and are based upon the Management’s best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- **Impairment of investments**

The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- **Useful lives of property, plant and equipment and Intangible assets**

The Group reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

- **Valuation of deferred tax assets**

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under the head “*Income taxes*”.

- **Defined benefit obligation**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

- **Fair value of financial instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

- **Impairment of financial assets**

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Impairment of Goodwill**

The Group estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

- **Share-based payments**

Estimating fair value for share-based payments requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

- **Contingencies**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

- **Research and development costs**

The management monitors progress of internal research and development projects by using a project judgement as required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

### ***Principles of consolidation and equity accounting***

- **Subsidiaries**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries, line by line by adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The financial statements of the parent company and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies.

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the parent i.e., March 31.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet. Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date that control ceases.

- **Associate**

Associate is an entity over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from associates are recognised as reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payment on behalf of the other entity. Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policy of the equity accounted investee have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investment is tested for impairment.

### ***Revenue recognition***

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the Group. Amount disclosed as revenue are reported net of discounts and applicable taxes which are collected on behalf of the government.

(i) Revenue from messaging services – The Group recognises revenue based on the usage of messaging services. The revenue is recognised when the Group's services are used based on the specific terms of the contract with customers.

Income from services is recognised when the service is rendered in terms of the agreements/ arrangements with parties, net of service tax or goods and service tax.

Amounts received or billed in advance for services to be performed in future are recorded as advances from customers / advance billing.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delayed delivery attributable to the Group and when there is a reasonable certainty with which the same can be estimated.

(ii) Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and carrying value of the investment.

(iii) Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(iv) Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

## ***Leases***

### ***Finance lease***

Leases are classified as finance leases when substantially all of the risks and rewards of ownership of the asset transfer from the Group to the lessee or from the lessor to the Group as the case may be.

#### ***Group as a lessee***

Lease rentals are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as finance lease obligations. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return.

#### ***Group as a lessor***

Amounts due from lessees under finance leases are recorded as receivables based on the Group's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### ***Operating lease***

Leases where the lessor effectively retains substantially all risks and benefits incidental to ownership of the asset are classified as Operating lease.

#### ***Group as a lessee***

Operating lease payments (net of any incentive received from the lessor) are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term unless the payments are structured to increase in line with general inflation to compensate for the lessor's expected inflationary costs.

#### ***Group as a lessor***

Rental income from operating lease is recognised on a straight line basis over the lease term unless the same is in line with general inflation to compensate for the expected inflationary costs. Initial direct costs incurred in negotiating and arranging an operating lease is recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## ***Borrowing costs***

Borrowing costs attributable to the acquisition and construction of qualifying assets are capitalised as part of the cost of such assets up to the date such assets are ready for their intended use. Other borrowing costs are charged to profit or loss. Borrowing cost is calculated using effective interest rate on the amortised cost of the instrument.

## ***Foreign currency***

The functional currency of our Company and its Indian subsidiaries is the Indian Rupee whereas the functional currency of foreign subsidiaries is the currency of their countries of domicile.

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gains or losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated at year end.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities are translated at the closing rate on the balance sheet date
- (b) Income and expenses are translated at the average exchange rate (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated based on rates prevailing at the date of transaction).
- (c) All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### ***Income taxes***

Income tax expense comprises Current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of profit and loss, except when they relate to item that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in equity respectively.

### ***Current income taxes***

The current income tax includes income taxes payable by the Group computed in accordance with the tax laws applicable in the jurisdiction in which the parent company and its subsidiaries, associate operates and generate taxable income. Advance taxes and provision for current income tax are presented in the balance sheet after offsetting the advance tax paid and income tax provision arising in the same jurisdiction and where the relevant tax paying units intend to settle the asset and liability on a net basis.

### ***Deferred income taxes***

Deferred income tax is recognised using Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition.

Deferred tax asset are recognised to the extent future taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow deferred income tax assets to be utilised. At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries and associate where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.



Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India which is likely to give future economic benefits in the form of availability of setoff against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

### ***Financial instruments***

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liability.

### ***Financial assets***

#### ***Classification***

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets change.

### ***Initial measurement***

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

### ***Subsequent measurement of debt instruments***

Subsequent measurement of debt instruments depend on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss

when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### ***De-recognition of financial assets***

A financial asset is de-recognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

#### ***Cash and cash equivalents***

Cash and cash equivalents for the purpose of the cash flow statement comprise of the cash on hand and at bank and current investments with an original maturity of three months or less. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of our Company's cash management.

#### ***Financial liabilities***

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently, all financial liabilities are measured at amortised cost using the effective interest rate method

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. The gain / loss is recognised in other equity in case of transactions with shareholders.

#### ***Derivative Financial Instruments***

The Group uses currency swaps as derivative instruments to mitigate the risk of changes in currency rates. Such derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value.

#### ***Property plant and equipment (including Capital Work-in-Progress)***

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes inward freight, adjustment for GST credit, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.

Assets acquired but not ready for use or assets under construction are classified under Capital work in progress.

### ***Intangible Assets***

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

### ***Research and development***

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the consolidated statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Company, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the consolidated statement of profit and loss as incurred.

### ***Depreciation/Amortisation***

Depreciation on property, plant and equipment is provided to the extent of depreciable amount on written down value (WDV) method over the useful lives of assets as determined by the management which is in line with Part-C of Schedule II of the Act with residual value of 5%, except servers and network (part of Computers).

Servers and networks are depreciated over a period of five years, based on internal assessment and technical evaluation carried out by the management, and which represents the period over which they expect to use these assets.

Leasehold improvements are amortised over the period of lease or their estimated useful life, whichever is earlier, on a straight-line basis.

Depreciation on assets acquired under finance lease is spread over the lease period or useful life, whichever is shorter on a straight line basis.

Intangible assets are amortized on a straight line basis.

Following table summarises the nature of intangibles and their estimated useful lives:

<b>Nature of Intangibles</b>	<b>Useful lives</b>
Computer software	5 years
Trade mark	5 years
License	5 years
Software	4 years
Customer relationship	10 years
Non-compete fees	7 years

Depreciation is calculated pro-rata from/to the date of addition/deletion.

### ***Impairment of assets***

### ***Non-financial assets***

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

### ***Financial assets***

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

### ***Employee benefits***

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognised as expenses in the consolidated statement of profit and loss.

The Group's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the consolidated statement of profit and loss on accrual basis. The Group has categorised its Provident Fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions.

The Group's liability towards gratuity, being defined benefit plan is accounted for on the basis of an independent actuarial valuation using the projected unit credit method, done at the year end. Gratuity liability is not funded and the payments are made to the employees directly when they leave the organisation post completion of 5 years of service or at the time of retirement (with minimum 5 years of service), whichever is earlier.

Service cost and the net interest cost is included in employee benefit expense in the consolidated statement of profit and loss. Actuarial gains and losses arising on the measurement of defined benefit obligation is credited/ charged to other comprehensive income.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

### ***Provisions, contingent liabilities and contingent assets***

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

### ***Earnings per share***

Basic earnings per share are computed by dividing net profit after tax (excluding other comprehensive income) by the weighted average number of equity shares outstanding during the period/year.

Diluted earnings per share is computed by dividing net profit after tax (excluding other comprehensive income) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

### ***Business combinations***

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred / assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identified assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

The Group recognises any non-controlling interest in the acquired entity on an acquisition by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Purchase consideration paid in excess of the fair value of net identifiable assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of transaction. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently remeasured at fair value with changes in fair value recognised in profit or loss.

Acquisition related costs incurred in connection with a business combination such as stamp duty, legal fees, due diligence fees and other professional and consulting fees are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss / other comprehensive income.

### ***Segment reporting***

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, organisation structure as well as differential risks and returns, using the information provided to the Board of Directors and chief operating officer, together, the chief operating decision maker.

### ***Share based payments***

Share-based compensation benefits are provided to employees via the "ROUTE MOBILE LIMITED" Employee Stock Option Plan 2017 (the 'ESOP scheme'). The fair value of options granted under the Employee Stock Option Plan 2017 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to serve or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

### ***Government Grants***

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, its recognition as income in the consolidated statement of profit and loss is linked to fulfilment of associated export obligations.

The Group has chosen to present grants received to income, as other income in the consolidated statement of profit and loss.

### ***Standard issued but not yet effective***

#### ***Recent accounting pronouncements***

##### **Ind AS 116: Leases**

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116, Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1 April 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the consolidated statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on right of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

As at April 1, 2019, the Group and its associate has discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring lease liabilities at ₹ 155.60 million and accordingly recognised right-of-use assets at ₹ 136.36 million and also adjusted retained earnings by ₹ 12.51 million (net of tax).

### **Principal Components of Income and Expenditure**

## ***Revenue***

Our total revenue consists of revenue from operations and other income.

### ***Revenue from Operations***

Revenue from operations includes revenue from sale of services – messaging services, call center services and other operating revenue comprising of software development fees.

### ***Other Income***

Other income primarily included interest income on financial assets measured at amortised cost comprising fixed deposits and security deposits, government grant receivable, liabilities no longer payable - to be written back, net gain arising on financial assets designated as fair value through profit or loss, excess provision towards trade receivable written back, rental income and miscellaneous income. Miscellaneous income comprises interest on income tax refund, and profit on sale of assets.

## ***Expenses***

Our expenses consist primarily of purchase of messaging services, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses.

### ***Employee Benefit Expenses***

Employee benefit expenses include salaries, wages and bonus payments to our employees, contribution to provident and other funds and staff welfare expenses. Given the nature of our business, employee benefit expenses represent our most significant operating expense.

### ***Finance Costs***

Finance costs included interest on borrowings from banks, interest on finance lease obligations, interest on delayed payment of statutory dues, interest on delayed payment of income taxes, interest expenses on financial liability measured at amortised cost and other borrowing costs.

### ***Depreciation and Amortization***

Depreciation is provided on the written down value over estimated useful life of the assets except servers and networks estimated by the management. Intangible assets are amortized over a period of three years. Depreciation for assets purchased/ sold during the year is proportionately charged. Leasehold improvements are amortised over the period of lease or their estimated useful life, whichever is earlier, on a straight-line basis. Depreciation is calculated pro-rata from/to the date of addition/deletion.

### ***Other Expenses***

Other expenses include expenses relating to rent for lease of office facilities, travelling and conveyance, legal and professional charges, business promotion expenses, repairs and maintenance charges, net loss on foreign currency transactions and translation, and communication expenses, among others.

## ***Taxation***

Income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 of India. Tax expenses relating to foreign operations are determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (“MAT”) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that our Company and its Indian subsidiaries will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefits associated with it will fructify. Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where our Company is able to and intends to settle the asset and liability on a net basis.

## Results of Operations

The following table sets forth certain information with respect to our consolidated results of operations for the periods indicated:

Particulars	Fiscal 2019		Fiscal 2018		Fiscal 2017	
	(₹ million)	Percentage of total revenue (%)	(₹ million)	Percentage of total revenue (%)	(₹ million)	Percentage of total revenue (%)
<b>Revenue</b>						
Revenue from operations	8,446.68	99.10%	5,049.48	99.11%	4,575.81	98.44%
Other income	77.09	0.90%	45.37	0.89%	72.51	1.56%
<b>Total revenue</b>	<b>8,523.77</b>	<b>100.00%</b>	<b>5,094.85</b>	<b>100.00%</b>	<b>4,648.32</b>	<b>100.00%</b>
<b>Expenses</b>						
Purchases of messaging services	6,670.15	78.25%	3,407.47	66.88%	3,253.70	70.00%
Employee benefits expense	554.47	6.50%	504.57	9.90%	259.64	5.59%
Finance costs	113.58	1.33%	63.33	1.24%	6.68	0.14%
Depreciation and amortisation expense	172.26	2.02%	124.56	2.44%	54.16	1.17%
Other expenses	358.63	4.21%	422.71	8.30%	258.67	5.56%
<b>Total expenses</b>	<b>7,869.09</b>	<b>92.32%</b>	<b>4,522.64</b>	<b>88.77%</b>	<b>3,832.85</b>	<b>82.46%</b>
<b>Profit before tax</b>	<b>654.68</b>	<b>7.68%</b>	<b>572.21</b>	<b>11.23%</b>	<b>815.47</b>	<b>17.54%</b>
<b>Tax expense</b>						
Current tax	112.19	1.32%	109.40	2.15%	214.69	4.62%
Deferred tax credit	(14.98)	(0.18%)	(10.44)	(0.20%)	(6.16)	(0.13%)
<b>Total tax expense</b>	<b>97.21</b>	<b>1.14%</b>	<b>98.96</b>	<b>1.94%</b>	<b>208.53</b>	<b>4.49%</b>
<b>Profit for the year</b>	<b>557.47</b>	<b>6.54%</b>	<b>473.25</b>	<b>9.29%</b>	<b>606.94</b>	<b>13.06%</b>
<b>Other comprehensive income</b>						
(i) (a) Items that will not be reclassified to profit or loss	1.91	0.02%	0.29	0.01%	0.97	0.02%
(b) Tax expense / (benefit) on items that will not be reclassified to profit or loss	(0.56)	(0.01%)	(0.08)	(0.00%)	(0.34)	(0.01%)
(ii) (a) Items that will be reclassified to profit or loss	40.83	0.48%	27.89	0.55%	(44.29)	(0.95%)



Particulars	Fiscal 2019		Fiscal 2018		Fiscal 2017	
	(₹ million)	Percentage of total revenue (%)	(₹ million)	Percentage of total revenue (%)	(₹ million)	Percentage of total revenue (%)
(b) Tax expense / (benefit) on items that will be reclassified to profit or loss	-	0.00%	-	0.00%	-	0.00%
<b>Total other comprehensive income (net of tax)</b>	<b>42.18</b>	<b>0.49%</b>	<b>28.10</b>	<b>0.55%</b>	<b>(43.66)</b>	<b>(0.94%)</b>
<b>Total comprehensive income for the year</b>	<b>599.65</b>	<b>7.04%</b>	<b>501.35</b>	<b>9.84%</b>	<b>563.28</b>	<b>12.12%</b>
<b>Profit is attributable to:</b>						
Owners of the Holding Company	571.61	6.71%	484.92	9.52%	607.07	13.06%
Non-controlling interest	(14.14)	(0.17%)	(11.67)	(0.23%)	(0.13)	(0.00%)
<b>Other comprehensive income is attributable to:</b>						
Owners of the Holding Company	40.28	0.47%	28.20	0.55%	(43.66)	(0.94%)
Non-controlling interest	1.90	0.02%	(0.10)	(0.00%)	-	0.00%
<b>Total comprehensive income is attributable to:</b>						
Owners of the Holding Company	611.89	7.18%	513.12	10.07%	563.41	12.12%
Non-controlling interest	(12.24)	(0.14%)	(11.77)	(0.23%)	(0.13)	(0.00%)
<b>Earnings per equity share</b>						
Basic and diluted (in ₹)	11.43		9.70		12.14	
Face value per share (in ₹)	10.00		10.00		10.00	

The following table sets forth certain information with respect to our Earnings before Interest, Taxes, Depreciation and Amortization Expenses (EBITDA) for the periods indicated:

Particulars	Fiscal 2019		Fiscal 2018		Fiscal 2017	
	(₹ million)	Percentage of total revenue (%)	(₹ million)	Percentage of total revenue (%)	(₹ million)	Percentage of total revenue (%)
Earnings Before Interest, Taxes Depreciation and Amortisation (EBITDA) <sup>1</sup>	940.52	11.03%	760.10	14.92%	876.31	18.85%

<sup>1</sup>Calculated as our Restated Net Profit/ (Loss) before Tax plus Depreciation and Amortization Expenses plus Finance Costs

## Fiscal 2019 compared to Fiscal 2018

### Revenue

Total revenue increased by 67.30% from ₹ 5,094.85 million in Fiscal 2018 to ₹ 8,523.77 million in Fiscal 2019. The increase in total revenue reflects the growth in our existing businesses due to the reasons mentioned below:

- Our volume of transactions in the enterprise segment grew significantly in Fiscal 2019. In addition, we added additional customers in new geographies;
- Full year consolidation of 365squared for Fiscal 2019 has led to growth in total revenues in Fiscal 2019;
- We secured two firewall contracts in India and Africa that led to increase in revenues during Fiscal 2019; and
- We have discontinued our wholesale voice business owing to low profit margins.

### Revenue from Operations

Revenue from operations increased by 67.28% from ₹ 5,049.48 million in Fiscal 2018 to ₹ 8,446.68 million in Fiscal 2019. Revenue from sale of messaging services increased by 67.95% from ₹ 4,896.31 million in Fiscal 2018 to ₹ 8,223.17 million in Fiscal 2019 primarily due to the reasons mentioned above. Further, revenue from our call centre services increased by 45.92% from ₹ 153.17 million in Fiscal 2018 to ₹ 223.51 million in Fiscal 2019 on account of addition of new clients and expansion of service capabilities.

Total volume processed per annum increased from over 21 billion billable transactions in Fiscal 2018 to over 24.74 billion billable transactions in Fiscal 2019.

### ***Other Income***

Other income increased by 69.91% from ₹ 45.37 million in Fiscal 2018 to ₹ 77.09 million in Fiscal 2019 primarily due to increase in liabilities no longer payable written back, interest on income tax refund, gain on derivative financial instruments, net gain on financial assets designated as fair value through profit or loss, and government grant.

As a percentage of total revenue, other income was 0.90% in Fiscal 2019 as compared to 0.89% in Fiscal 2018.

### **Expenses**

Total expenses increased by 73.99% from ₹ 4,522.64 million in Fiscal 2018 to ₹ 7,869.09 million in Fiscal 2019. As a percentage of total revenue, total expenses were 92.32% in Fiscal 2019 as compared to 88.77% in Fiscal 2018.

- ***Purchases of Messaging Services***

Expenses relating to purchase of messaging services increased by 95.75% from ₹ 3,407.47 million in Fiscal 2018 to ₹ 6,670.15 million in Fiscal 2019. The increased in purchases of messaging services in Fiscal 2019 compared to Fiscal 2018 was primarily on account of growth of our business, increase in SMS cost in India due to increase in pricing by MNOs in India and the discontinuation of our SMSC hosted with Aircel Limited (on account of Aircel Limited declaring bankruptcy in Fiscal 2019). As a percentage of total revenue, expenses relating to purchases of messaging services were 78.25% in Fiscal 2019 as compared to 66.88% in Fiscal 2018.

Increase in A2P message pricing by MNOs in select markets, including India, led to further dilution of profit margins, as our Company could not pass on the increased pricing increase to enterprise customers with whom we had fixed price contracts, secured through a competitive bidding process.

- ***Employee Benefit Expenses***

Employee benefit expenses increased by 9.89% from ₹ 504.57 million in Fiscal 2018 to ₹ 554.47 million in Fiscal 2019. As a percentage of total revenue, employee benefit expenses were 6.50% in Fiscal 2019 as compared to 9.90% in Fiscal 2018.

The relative increase in employee benefit expenses was primarily attributable to increase in salaries and remuneration of our employees and corresponding increase in contribution to provident fund and employee state insurance. This increase can primarily be attributed to an increase in average headcount from 388 employees in Fiscal 2018 to 697 employees in Fiscal 2019, expansion into new geographic markets, acquisitions and wage inflation.

Salaries, wages and bonus increased by 10.70% from ₹ 475.83 million in Fiscal 2018 to ₹ 526.74 million in Fiscal 2019, while contribution to provident fund and other funds increased by 415.24% from ₹ 1.64 million in Fiscal 2018 to ₹ 8.45 million in Fiscal 2019. Staff welfare expenses decreased by 28.86% from ₹ 27.10 million in Fiscal 2018 to ₹ 19.28 million in Fiscal 2019.

- ***Finance Costs***

Finance costs increased by 79.35% from ₹ 63.33 million in Fiscal 2018 to ₹ 113.58 million in Fiscal 2019 primarily due to increase in interest expense on financial liability measured at amortised cost from ₹ 47.90 million in Fiscal

2018 to ₹ 91.20 million in Fiscal 2019. As a percentage of total revenue, finance costs were 1.33% in Fiscal 2019 as compared to 1.24% in Fiscal 2018.

Our Company has accounted for ₹ 594.90 million as contingent consideration to the selling shareholders of 365squared as part of the acquisition of 365squared, which represents the fair value of 365squared at the date of acquisition. As at March 31, 2019 and March 31, 2018 the contingent consideration has increased to ₹ 730.71 million and ₹ 643.79 million respectively (including unwinding of the discount of ₹ 91.20 million and ₹ 47.90 million respectively grouped in finance costs).

- *Depreciation and Amortization Expenses*

Depreciation and amortization expenses increased by 38.29% from ₹ 124.56 million in Fiscal 2018 to ₹ 172.26 million in Fiscal 2019 primarily due to increase in amortization of intangible assets from ₹ 60.23 million in Fiscal 2018 to ₹ 108.31 million in Fiscal 2019. Of the increase in amortization expense, ₹ 102.86 million was on account of amortization of intangible assets identified as part of allocation of the purchase price of 365squared.

Depreciation and amortization on property, plant and equipment decreased from ₹ 64.33 million in Fiscal 2018 to ₹ 63.95 million in Fiscal 2019. Amortization of intangible assets increased by 79.83% from ₹ 60.23 million in Fiscal 2018 to ₹ 108.31 million in Fiscal 2019 on account of full year impact of amortization of intangible assets of 365squared. As a percentage of total revenue, depreciation and amortization costs were 2.02% in Fiscal 2019 as compared to 2.44% in Fiscal 2018.

- *Other Expenses*

Other expenses decreased by 15.16% from ₹ 422.71 million in Fiscal 2018 to ₹ 358.63 million in Fiscal 2019 on account of decrease in repairs and maintenance expenses, rental expenses, rates and taxes, traveling and conveyance expenses, advances and trade receivables written off and provisions made for doubtful debts and advances, net loss on foreign currency transactions and translation and cost of technical and other manpower. As a percentage of total revenue, other expenses were 4.21% in Fiscal 2019 as compared to 8.30% in Fiscal 2018.

Rental expenses decreased by 19.74% from ₹ 84.99 million in Fiscal 2018 to ₹ 68.21 million in Fiscal 2019 primarily due to termination of lease for our office premises in London, United Kingdom.

Power and fuel expenses increased by 8.83% from ₹ 15.86 million in Fiscal 2018 to ₹ 17.26 million in Fiscal 2019 on account of expanded size of operations, higher headcount and increased locations from where we operated.

Our repairs and maintenance expenses (buildings) increased by 21.27% from ₹ 4.42 million in Fiscal 2018 to ₹ 5.36 million in Fiscal 2019, and our repairs and maintenance expenses (others) decreased by 31.05% from ₹ 17.84 million in Fiscal 2018 to ₹ 12.30 million in Fiscal 2019.

Our legal and professional charges increased by 43.78% from ₹ 42.87 million in Fiscal 2018 to ₹ 61.64 million in Fiscal 2019 due to the legal cost incurred in setting up of new offices, and other legal expenses incurred for day-to-day operations across the globe.

Our travelling and conveyance expenses decreased by 42.28% from ₹ 52.51 million in Fiscal 2018 to ₹ 30.31 million in Fiscal 2019, and the communication expenses increased by 7.69% from ₹ 38.25 million in Fiscal 2018 to ₹ 41.19 million in Fiscal 2019.

Net loss on foreign currency transactions and translation decreased by 61.35% from ₹ 44.86 million in Fiscal 2018 to ₹ 17.34 million in Fiscal 2019.

Advances and trade receivable written off decreased by 84.51% from ₹ 22.86 million in Fiscal 2018 to ₹ 3.54 million in Fiscal 2019. The advances and trade receivable written-off in Fiscal 2018 pertained to Call2Connect's business, which did not recur in Fiscal 2019. In addition, the provision for doubtful debts and advances decreased by 55.99% from ₹ 4.34 million in Fiscal 2018 to ₹ 1.91 million in Fiscal 2019. Further, miscellaneous expenses which primarily

include housekeeping charges, security charges, office cleaning expense and membership and subscription fees increased by 19.88% from ₹ 25.85 million in Fiscal 2018 to ₹ 30.99 million in Fiscal 2019.

### **Profit before Tax**

For the reasons discussed above, profit before tax increased from ₹ 572.21 million in Fiscal 2018 to ₹ 654.68 million in Fiscal 2019.

### **Provision for Taxation**

Our tax expenses in Fiscal 2019 were ₹ 97.21 million, including ₹ 112.19 million of current tax. In addition, there was a deferred tax credit of ₹ 14.98 million in Fiscal 2019. Our tax expenses in Fiscal 2018 were ₹ 98.96 million, including ₹ 109.40 million of current tax. In addition, there was a deferred tax credit of ₹ 10.44 million in Fiscal 2018.

Our effective tax rate in Fiscal 2018 and 2019 was 17.29% and 14.85%, respectively.

### **Profit for the Year**

Profit for the year was ₹ 557.47 million in Fiscal 2019 compared to ₹ 473.25 million in Fiscal 2018.

### **Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)**

Our EBITDA increased by 23.74% from ₹ 760.10 million in Fiscal 2018 to ₹ 940.52 million in Fiscal 2019. EBITDA margin was 14.92% in Fiscal 2018 compared to 11.03% in Fiscal 2019.

### **Fiscal 2018 compared to Fiscal 2017**

#### **Revenue**

Total revenue increased by 9.61% from ₹ 4,648.32 million in Fiscal 2017 to ₹ 5,094.85 million in Fiscal 2018. The increase in total revenue reflects the growth in our existing businesses due to reasons mentioned below.

#### **Revenue from Operations**

Revenue from operations increased by 10.35% from ₹ 4,575.81 million in Fiscal 2017 to ₹ 5,049.48 million in Fiscal 2018 primarily due to the increase in sale of services - messaging services and commencement of our call center services through our Subsidiary, Call2Connect. Revenue from sale of services - messaging services increased by 7.50% from ₹ 4,554.53 million in Fiscal 2017 to ₹ 4,896.31 million in Fiscal 2018 primarily due to our acquisition of 365squared with effect from October 1, 2017 and accordingly, was consolidated for the six months ended March 31, 2018. Revenue generated from the firewall business of 365squared amounted to ₹ 507.76 million in the six months ended March 31, 2018. Further, while we did not have any revenue from our call center services in Fiscal 2017, revenue from our call center services amounted to ₹ 153.17 million in Fiscal 2018.

The following table sets forth certain information relating to the acquisitions in Fiscal 2018:

S. No.	Acquisition/ Investment	Effective Date	Shareholding Acquired	Transaction Consideration	Revenue from Operations of Acquired Entity/Investee in Fiscal 2018
1.	365squared Limited	October 1, 2017	100%	Euro 10 million upfront plus earn-out payments in accordance with the relevant share purchase agreement	₹ 507.76 million
2.	Call2Connect	April 1, 2017	100%	₹ 56.66 million	₹ 153.17 million

In addition, the total volume processed per annum increased from over 17 billion billable transactions in Fiscal 2017 to over 21 billion billable transactions in Fiscal 2018. Transactions terminated in India constituted 72.44% of the total volume in Fiscal 2017, as compared to 85.00% in Fiscal 2018. The increasing contribution of transaction volume from India resulted in lower realization on a consolidated basis.

### ***Other Income***

Other income decreased by 37.43% from ₹ 72.51 million in Fiscal 2017 to ₹ 45.37 million in Fiscal 2018 primarily due to decrease in liabilities no longer payable and written back and consultancy income. As a percentage of total revenue, other income was 0.89% in Fiscal 2018 as compared to 1.56% in Fiscal 2017.

### **Expenses**

Total expenses increased by 18.00% from ₹ 3,832.85 million in Fiscal 2017 to ₹ 4,522.64 million in Fiscal 2018. As a percentage of total revenue, total expenses were 88.77% in Fiscal 2018 as compared to 82.46% in Fiscal 2017.

- *Purchases of Messaging Services*

Expenses relating to purchase of messaging services increased by 4.73% from ₹ 3,253.70 million in Fiscal 2017 to ₹ 3,407.47 million in Fiscal 2018. The increase in purchases of messaging services was primarily on account of growth of our business operations. As a percentage of total revenue, expenses relating to purchases of messaging services were 66.88% in Fiscal 2018 as compared to 70.00% in Fiscal 2017.

- *Employee Benefit Expenses*

Employee benefit expenses increased significantly by 94.33% from ₹ 259.64 million in Fiscal 2017 to ₹ 504.57 million in Fiscal 2018. As a percentage of total revenue, employee benefit expenses were 9.90% in Fiscal 2018 as compared to 5.59% in Fiscal 2017.

The significant increase in our employee benefit expenses was primarily attributable to increase in salaries and remuneration of our employees and corresponding increase in contribution to provident fund and employee state insurance. This increase can primarily be attributed to an increase in average headcount from 309 employees in Fiscal 2017 to 388 employees in Fiscal 2018, expansion into new geographic markets, acquisitions and wage inflation. Further, in July 2017, our Company established an office in the United States, with a sales team focusing on adding enterprise customers in the region, leading to an increase in employee benefit expenses. In addition, our Company acquired Call2Connect, with effect from April 1, 2017, which resulted in additional employee benefit expenses of ₹ 97.67 million in Fiscal 2018. Our Company also acquired 365squared, with effect from October 1, 2017, which also resulted in additional employee benefit expenses of ₹ 35.31 million in Fiscal 2018.

Salaries, wages and bonus significantly increased by 98.62% from ₹ 239.57 million in Fiscal 2017 to ₹ 475.83 million in Fiscal 2018, while contribution to provident fund and other funds increased from ₹ 0.55 million in Fiscal 2017 to ₹ 1.64 million in Fiscal 2018. Staff welfare expenses increased by 38.83% from ₹ 19.52 million in Fiscal 2017 to ₹ 27.10 million in Fiscal 2018. This increase was marginally offset a decrease in remuneration paid to Directors by 45.10% from ₹ 37.90 million in Fiscal 2017 to ₹ 26.00 million in Fiscal 2018.

- *Finance Costs*

Finance costs significantly increased from ₹ 6.68 million in Fiscal 2017 to ₹ 63.33 million in Fiscal 2018 primarily due to interest expense on financial liability measured at amortised cost. As a percentage of total revenue, finance costs remained relatively insignificant and were 1.24% in Fiscal 2018 as compared to 0.14% in Fiscal 2017.

Our Company has accounted for ₹ 594.90 million as contingent consideration to the selling shareholders of 365squared as part of the acquisition of 365squared, which represents the fair value of 365squared at the date of acquisition.

- *Depreciation and Amortization Expenses*

Depreciation and amortization expenses significantly increased from ₹ 54.16 million in Fiscal 2017 to ₹ 124.56 million in Fiscal 2018 primarily due to change in accounting policy as per the Companies Act.

Depreciation and amortization on property, plant and equipment increased by 31.72% from ₹ 48.84 million in Fiscal 2017 to ₹ 64.33 million in Fiscal 2018, primarily due to addition of tangible assets worth ₹ 129.18 million in Fiscal 2018. Amortization of intangible assets significantly increased from ₹ 5.32 million in Fiscal 2017 to ₹ 60.23 million in Fiscal 2018 on account of amortization of intangible assets of 365squared which increased from nil in Fiscal 2017 to ₹ 48.87 million in Fiscal 2018. As a percentage of total revenue, depreciation and amortization costs were 2.44% in Fiscal 2018 as compared to 1.17% in Fiscal 2017.

- *Other Expenses*

Other expenses increased by 63.42% from ₹ 258.67 million in Fiscal 2017 to ₹ 422.71 million in Fiscal 2018 on account of growth in our operations and acquisitions. As a percentage of total revenue, other expenses were 8.30% in Fiscal 2018 as compared to 5.56% in Fiscal 2017.

Rental expenses increased by 64.26% from ₹ 51.74 million in Fiscal 2017 to ₹ 84.99 million in Fiscal 2018 primarily due to the acquisition of Call2Connect and subsequent expansion of delivery facilities.

Power and fuel expenses increased from ₹ 4.26 million in Fiscal 2017 to ₹ 15.86 million in Fiscal 2018 primarily due to the acquisition of Call2Connect and subsequent expansion of delivery facilities; in particular the BPO services offered by Call2Connect that require backup power to sustain delivery quality.

Our repairs and maintenance expenses (buildings) decreased by 40.75% from ₹ 7.46 million in Fiscal 2017 to ₹ 4.42 million in Fiscal 2018, and our repairs and maintenance expenses (others) increased by 60.00% from ₹ 11.15 million in Fiscal 2017 to ₹ 17.84 million in Fiscal 2018 due to the routine maintenance of office space, computers and servers.

Our legal and professional charges increased by 7.63% from ₹ 39.83 million in Fiscal 2017 to ₹ 42.87 million in Fiscal 2018 due to the legal cost incurred in setting up of new offices, legal and diligence costs incurred due to acquisitions and other legal expenses incurred for day-to-day operations across the globe.

Our travelling and conveyance expenses increased by 34.85% from ₹ 38.94 million in Fiscal 2017 to ₹ 52.51 million in Fiscal 2018, and the communication expenses increased from ₹ 14.67 million in Fiscal 2017 to ₹ 38.25 million in Fiscal 2018.

Net loss on foreign currency transactions and translation significantly increased from ₹ 6.36 million in Fiscal 2017 to ₹ 44.86 million in Fiscal 2018 due to volatility in foreign currencies in which we recorded our revenue and non-hedging of such revenue leading to booking of such losses.

Provision for doubtful debts and advances increased from ₹ 1.13 million in Fiscal 2017 to ₹ 4.34 million in Fiscal 2018. Further, miscellaneous expenses that primarily include housekeeping charges, security charges, office cleaning expense and membership and subscription fees increased from ₹ 4.97 million in Fiscal 2017 to ₹ 25.85 million in Fiscal 2018, primarily due to expansion of business operations.

### **Profit before Tax**

For the reasons discussed above, profit before tax decreased significantly from ₹ 815.47 million in Fiscal 2017 to ₹ 572.21 million in Fiscal 2018.

## Provision for Taxation

Our tax expenses in Fiscal 2018 were ₹ 98.96 million, including ₹ 109.40 million of current tax. In addition, there was a deferred tax credit of ₹ 10.44 million in Fiscal 2018. Our tax expense in Fiscal 2017 was ₹ 208.53 million, primarily consisting of ₹ 214.69 million of current tax and a deferred tax credit of ₹ 6.16 million.

Our effective tax rate in Fiscal 2017 and 2018 was 25.57% and 17.29% respectively. In Fiscal 2017, our Company incurred one-time tax of ₹ 60.39 million, paid on dividend received from, RouteSMS Solutions (FZE) Limited, our Subsidiary. Adjusted for this amount, the effective tax rate in Fiscal 2017 was 18.17%.

## Profit for the Year

Profit for the year was ₹ 473.25 million in Fiscal 2018 compared to ₹ 606.94 million in Fiscal 2017.

## Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)

Our EBITDA decreased by 13.26% from ₹ 876.31 million in Fiscal 2017 to ₹ 760.10 million in Fiscal 2018. EBITDA margin was 18.85% in Fiscal 2017 compared to 14.92% in Fiscal 2018.

## Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to fund our working capital requirements, capital expenditure and acquisitions. We have funded these primarily through cash generated from operations and bank borrowings.

We expect to meet our working capital, planned capital expenditure and acquisitions requirements for the next 24 months primarily from the cash flows from business operations, borrowings from banks and financial institutions and the proceeds of this Fresh Issue.

## Cash Flows

The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods indicated:

<i>(in ₹ million)</i>			
Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Net cash generated from/(used in) operating activities	228.22	281.23	(594.32)
Net cash (used in) investing activities	(50.13)	(1,302.13)	(115.44)
Net cash (used in)/ generated from financing activities	(169.36)	464.44	141.40
Net (decrease) in cash and cash equivalents	58.87	(577.27)	(611.05)
Opening balance of cash and cash equivalents	235.14	807.99	1,417.87
Cash and cash equivalents taken over on acquisition	-	4.42	1.17
Closing balance of cash and cash equivalents	294.01	235.14	807.99

## Operating Activities

### *Fiscal 2019*

In Fiscal 2019, net cash generated from operating activities was ₹ 228.22 million and the operating profit before working capital changes was ₹ 890.52 million. The change in working capital amounted to ₹ 596.80 million, primarily due to an increase in trade receivables of ₹ 489.04 million and increase in financial assets and other assets of ₹ 187.82 million, which was partially offset by an increase in trade payables, provisions and other liabilities of ₹ 80.06 million. Income tax paid was ₹ 65.50 million in Fiscal 2019.

### *Fiscal 2018*

In Fiscal 2018, net cash generated from operating activities was ₹ 281.23 million and the operating profit before working capital changes was ₹ 750.96 million. The change in working capital amounted to ₹ (385.81) million, primarily due to increase in trade receivables of ₹ 482.09 million and increase in financial assets and other assets of ₹ 176.97 million, which was partially offset by an increase in trade payables, provisions and other liabilities of ₹ 273.25 million. Income tax paid was ₹ 83.92 million in Fiscal 2018.

#### ***Fiscal 2017***

In Fiscal 2017, net cash used in operating activities was ₹ 594.32 million and the operating profit before working capital changes was ₹ 844.32 million. The change in working capital amounted to ₹ (1,180.25) million, primarily due to decrease in trade payables, provisions and other liabilities of ₹ 1,064.86 million due to decrease in advance from customers. Income tax paid was ₹ 258.39 million in Fiscal 2017.

### **Investing Activities**

#### ***Fiscal 2019***

Net cash used in investing activities was ₹ 50.13 million in Fiscal 2019, primarily on account of purchase of property, plant and equipment and intangible assets, proceeds from fixed deposits matured, purchase of current investments and interest received.

#### ***Fiscal 2018***

Net cash used in investing activities was ₹ 1,302.13 million in Fiscal 2018, primarily on account of purchase of property, plant and equipment, proceeds from fixed deposits placed, acquisition of Call2Connect India Private Limited and acquisition of 365squared. For further information, see “*Our Business- Acquisitions and Strategic Investments*” on page 146.

#### ***Fiscal 2017***

Net cash used in investing activities was ₹ 115.44 million in Fiscal 2017, primarily on account of purchase of property, plant and equipment and acquisition of Cellent Technologies and Start Corp. For further information, see “*Our Business- Acquisitions and Strategic Investments*” on page 146.

### **Financing Activities**

#### ***Fiscal 2019***

Net cash used in financing activities was ₹ 169.36 million in Fiscal 2019 and primarily consisted of repayment of current borrowings (net), interest paid, and dividend paid (including dividend distribution tax).

#### ***Fiscal 2018***

Net cash generated from financing activities was ₹ 464.44 million in Fiscal 2018, primarily consisted of proceeds from current borrowings (net) and proceeds from non-current borrowings.

#### ***Fiscal 2017***

Net cash generated from financing activities in Fiscal 2017 was ₹ 141.40 million which primarily consisted of proceeds from current borrowings (net).

### **Indebtedness**

As of March 31, 2019, we had outstanding indebtedness of ₹ 790.53 million. The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2019:



Particulars	Amount (₹ million)
<b>Long term borrowings</b>	
Secured	45.75
Unsecured	-
Total long-term borrowings	45.75
<b>Short Term Borrowings</b>	
Secured	731.62
Unsecured	-
Current portion of long-term borrowings	13.16
Total Short-Term Borrowings	744.78

Of our total outstanding borrowings of ₹ 790.53 million as of March 31, 2019, ₹ 201.67 million was denominated in Rupees and ₹ 588.86 million was denominated in foreign currency. The principal amounts outstanding under the borrowings bear interest either at a fixed rate or at a floating rate. For further details, see “*Financial Statements*” on page 189.

### Contractual Obligations and Commitments

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2019, aggregated by type of contractual obligation:

Particulars	As of March 31, 2019				
	Payment due by period				
	Total	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
Obligations under capital leases	17.20	11.47	5.73	-	-
Capital commitments	-	-	-	-	-
Non-cancellable operating lease obligations	121.13	33.64	87.49	-	-
Short-term borrowings	731.62	731.62	-	-	-
Long-term borrowings	58.91	12.84	12.12	6.90	27.05
Trade Payables	597.41	597.40	-	-	-
<b>Total Contractual Obligations</b>	<b>1,526.27</b>	<b>1,386.97</b>	<b>105.34</b>	<b>6.90</b>	<b>27.05</b>

### Contingent Liabilities and other Off-Balance Sheet Arrangements

The following table sets forth certain information relating to our contingent liabilities and commitments as of March 31, 2019:

Particulars	Amount
Service tax matters	562.28
Guarantees given on behalf of the group by banks	61.07
<b>Total</b>	<b>623.35</b>

For further details, see *Annexure V – Statement of Notes to the Restated Ind AS Consolidated Financial Information* of the “*Financial Statements*” on page 189.

Except as disclosed in our Restated Financial Statements or otherwise in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

### Historical and Planned Capital Expenditures

In Fiscal 2017, 2018 and 2019, our capital expenditure (including capital advances) was ₹ 143.36 million, ₹ 59.49 million and ₹ 105.44 million, respectively.

We believe that our capital expenditures in Fiscal 2020 will be financed by funds generated from operations, borrowings as well as the proceeds from the Offer. Our actual capital expenditures may be significantly higher or lower than these planned amounts, or the timing of such expenditures may change, due to various factors, including, among others, changes in macroeconomic conditions, unplanned cost overruns and our ability to generate sufficient cash flows from operations.

### **Related Party Transactions**

We enter into various transactions with related parties in the ordinary course of business. Primarily these transactions include purchase of messaging services, travelling and conveyance, business promotion expenses, expenses reimbursed by and to other companies, rental income, advances to Promoters and remuneration to Directors and KMPs. For further details relating to our related party transactions, see *Annexure V – Statement of Notes to the Restated Ind AS Consolidated Financial Information - Financial Statements* on page 189.

### **Quantitative and Qualitative Disclosures about Market Risk**

We are exposed to various types of market risks in the ordinary course of business, including credit risks, interest rate risks and foreign currency exchange risks.

#### **Credit Risk**

We are exposed to credit risk on amounts owed to us by our clients. If our clients do not pay us promptly, or at all, it may impact our working capital cycle and/or we may have to make provisions for or write-off on such amounts. In Fiscal 2017, 2018 and 2019, our trade receivables were ₹ 333.26 million, ₹ 972.92 million and ₹ 1,447.07 million, respectively.

#### **Interest Rate Risk**

Interest rates for borrowings have been volatile in India in recent years. Our operations are funded to a significant extent by debt. Any increase in interest expenses may have an adverse effect on our results of operations and financial condition. Our borrowings may carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

#### **Exchange Rate Risk**

Changes in currency exchange rates influence our results of operations. A portion of our revenues, particularly relating to our international operations, is denominated in currencies other than Indian Rupees including Euro, U.S. Dollar, AED, Naira, Cedi, Pound Sterling and Singapore Dollar. A portion of our expenses, including operating expenses in connection with our international operations, as well as certain of our capital expenditure on hardware and software, may also be denominated in currencies other than Indian Rupees. In addition, certain of our results and financial positions are reported in the relevant local currencies, including Euro, U.S. Dollar, Naira and AED, which are translated into Indian Rupees at the applicable exchange rates for inclusion in the consolidated financial statements, which are stated in Indian Rupees.

Depreciation of the Indian Rupee against the U.S. dollar and other foreign currencies may adversely affect our results of operations by increasing the cost of financing any debt denominated in foreign currency that we may enter into in the future or any proposed capital expenditure in foreign currencies. Any significant appreciation of the Rupee against foreign currencies, especially the USD and the Euro, is likely to have an impact on our ability to compete effectively with international competitors and maintain or grow our profit margins.

Although we may selectively enter into hedging transactions to minimize our currency exchange risks, there can be no assurance that such measures will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against other relevant foreign currencies.

### **Liquidity Risk**

Liquidity risk arises from the absence of liquid resources, when funding loans, and repaying borrowings. This could be due to a decline in expected collection, or our inability to raise adequate resources at an appropriate price. This risk may be minimized through a mix of strategies, including the maintenance of back-up bank credit lines, having diversified sources for funding both long term and short-term loans and following a forward looking borrowing program based on projected loans and maturing obligations.

### **Unusual or Infrequent Events or Transactions**

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

### **Segment Reporting**

Other than as disclosed in our Restated Financial Statements, we do not follow any other segment reporting. See, “*Annexure V – Statement of Notes to the Restated Ind AS Consolidated Financial Information – Financial Statements*” on page 189. Our operations are internally aligned into the following business verticals: (i) enterprise; (ii) mobile operator; and (iii) business process outsourcing, which have been discussed in detail in “*Our Business*” on page 118.

### **Significant Dependence on Clients**

Revenues from any particular client may vary between financial reporting periods depending on the nature and term of ongoing contracts with such client. We are dependent on a limited number of clients for a substantial portion of our revenues. Our largest client accounted for 5.73%, 6.49% and 19.86% of our revenue from operations in Fiscal 2017, 2018 and 2019, respectively. Our ten largest clients accounted for approximately 34.01%, 36.08% and 46.00% of our revenue from operations in Fiscal 2017, 2018, and 2019, respectively. See also, “*Risk Factors – Our revenues depend on a limited number of clients and a loss of such clients could adversely affect our financial condition and results of operations.*” on page 23.

### **Known Trends or Uncertainties**

Other than as described in this section and in “*Risk Factors*” on page 23, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

### **Future Relationship between Cost and Income**

Other than as described in this section, “*Risk Factors*” and “*Our Business*” on pages 23 and 118, respectively, to our knowledge there are no known factors that will have a material adverse impact on our operations and finances.

### **Seasonality of Business**

Our results of operations do exhibit seasonality. We are subject to seasonality and fluctuations in end-customer usage of enterprise communications through the year. We may have variation in our financial results from financial period to financial period as a result of various factors, including those described under “*Factors Affecting our Results of Operations*” above and in “*Risk Factors*” on page 23. While the business operations of certain of our clients are seasonal, given the size of our operations and large and diverse client base, seasonality of businesses affecting such clients do not have any material impact on our business and results of operations.

### **Competitive Conditions**

We operate in a competitive environment. See “Our Business”, “Industry Overview” and “Risk Factors” on pages 118, 110 and 23, respectively, for further details on competitive conditions that we face in our business.

### Changes in Accounting Policies

Except as disclosed in this Draft Red Herring Prospectus, there have been no changes in our accounting policies in the last three fiscal years.

### Auditor’s Observations

Other than as disclosed below, there have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our Statutory Auditors in their audit reports on the audited consolidated financial statements for the last three Fiscals preceding the date of this Draft Red Herring Prospectus.

<b>Fiscal</b>	<b>Emphasis of Matter</b>	<b>Management Response</b>
2019	<p>a) <i>The statutory auditors draw attention to the matter stated in Note 45(A)(iii) to the audited consolidated financial statements which indicates delays in payment and receipt of foreign currency receivables and payables aggregating to ₹ 68.20 million and ₹ 133.38 million respectively as on March 31, 2019 beyond the timelines stipulated vide FED Master Direction No. 16/2015-16 and FED Master Direction No. 17/2016-17 respectively, under the Foreign Exchange Management Act, 1999. The management of our Company has filed necessary applications for condonation of delays and regularising these defaults with appropriate authorities. The management is of the view that the fine/penalties, if any, are currently uncertainable and accordingly, no provision has been recognised in the consolidated financial statements with respect to such fine/penalty. The statutory auditors’ opinion is not modified in respect of this matter.</i></p>	<p>The outstanding balance in books of our Company as at March 31, 2019 includes trade payables aggregating ₹ 133.38 million and trade receivables aggregating ₹ 68.20 million, to/from companies situated outside India. These balances are pending for settlement and have resulted in delays in remittance of payments and receipts of receivables, beyond the timeline stipulated by the FED Master Direction No. 17/2016-17 and the FED Master Direction No. 16/2015-16 respectively, under the Foreign Exchange Management Act, 1999. Our Company has filed necessary applications with the appropriate authority for condonation of delays for regularizing these defaults. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable and accordingly, the accompanying financial statements do not include any adjustments that may arise due to such delay/default.</p>
	<p>b) <i>The statutory auditors draw attention to Note 45(A)(i) of the audited consolidated financial statements wherein it is stated that our Company has received a demand notice for service tax liability under the provisions of the Finance Act, 1994 aggregating to ₹ 250.03 millions (excluding interest and penalty) for the period from October 2011 to March 2016 and show Show Cause cum Demand Notice aggregating to ₹ 25.47 millions (excluding interest and penalty) for the period from April 2016 to June 2017. Based on the legal opinion obtained, the management is of the view that the outcome of the appeal being filed with relevant appellate authorities in respect of aforementioned disputed dues will be in the favour of our Company, and accordingly, no provision for liability has been recognised in the consolidated financial statements. The statutory auditors’ opinion is not qualified in respect of this matter.</i></p>	<p>The Service Tax Department (“Department”) had issued a Show Cause cum Demand Notice to our Company vide letter F No. DGCEI/MZU/I&amp;IS’C’ /12(3)30/2016 dated April 21, 2017, based on the understanding that our Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period, October 2011 to March 2016, amounted to ₹ 250.03 million excluding interest and penalty. The said matter was under dispute with commissioner of CGST, Mumbai. The Commissioner of CGST, Mumbai has confirmed the demand vide his order dated June 27, 2018. Our Company has filed an appeal with the Customs, Central Excise and Service Tax Appellate Tribunal, Mumbai and paid an amount of ₹ 18.75 million under protest. The Department had issued a show cause cum demand notice to our Company dated January 17, 2019, based on the understanding that our Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period April 2016 to June 2017 amounted to ₹ 25.47 million excluding interest and penalty. Based on grounds outlined in</p>

Fiscal	Emphasis of Matter	Management Response
		an independent legal opinion, the management believes that the outcome will be in the favour of our Company and accordingly no provision for liability has been recognised in the financial statements and the demand has been disclosed as contingent liability.
2018	<i>The statutory auditors draw attention to Note 48(A)(i) of the audited Ind AS consolidated financial statements wherein it is stated that our Company has received a demand notice for service tax liability under the provisions of the Finance Act, 1994 aggregating to ₹ 250.03 million (excluding interest and penalty) for the period from October 2011 to March 2016. Based on the legal opinion obtained, the management is of the view that the outcome of the appeal being filed with relevant appellate authorities in respect of aforementioned disputed dues will be in the favour of our Company, and accordingly, no provision for liability has been recognised in the consolidated financial statements. The statutory auditors' opinion is not qualified in respect of this matter.</i>	<p>The Department had issued a show cause cum demand notice to our Company vide letter F No. DGCEI/MZU/1&amp;IS'C'/12(3)30/2016 dated April 21, 2017, based on the understanding that our Company has not discharged the service tax liability under reverse charge mechanism on the purchases of messages from its foreign vendors and sale to their overseas customers. The demand pertaining to the period, October 2011 to March 2016, amounted to ₹ 250.03 million excluding interest and penalty. The said matter was under dispute with Commissioner of CGST, Mumbai.</p> <p>The Commissioner of CGST, Mumbai has confirmed the demand vide his order dated June 27, 2018. Our Company is in process to file an appeal with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai and paid an amount of ₹ 18.75 million under protest. Based on grounds outlined in an independent legal opinion, the management believes that the outcome will be in the favour of our Company and accordingly no provision for liability has been recognised in the financial statements and the demand has been disclosed as contingent liability.</p>

#### **Significant Developments after March 31, 2019 that may affect our future results of operations**

Other than as disclosed in this Draft Red Herring Prospectus, including under “*Our Business*” and “*Risk Factors*” and in this section, to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

#### **Status of any publicly announced new products or business segment, if applicable**

Except as disclosed in “*Our Business*” on page 118, we have not announced and do not expect to announce in the near future any new products or business segments.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Directors, or Promoters; (ii) actions by any statutory or regulatory authorities involving our Company, Subsidiaries, Directors, or Promoters; or (iii) claim involving our Company, Subsidiaries, Directors or Promoters for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Subsidiaries, Directors or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be “material” pursuant to the materiality policy approved by our Board in its meeting held on September 12, 2019 (“Materiality Policy”) (as disclosed herein below).*

*In terms of the Materiality Policy, other than outstanding criminal proceedings, actions taken by any statutory or regulatory authority and claims for any direct or indirect tax liabilities mentioned in point (i) to (iii) above, all other pending litigation:*

*A. involving our Company and Subsidiaries:*

- i. where the aggregate monetary claim made by or against our Company and our Subsidiaries, in any such pending litigation proceeding is in excess of (i) two percent of the consolidated profit after tax of our Company; or (ii) one percent of our consolidated total income of our Company, whichever is lower, in the most recently completed Fiscal as per the Restated Financial Information. The consolidated profit after tax of our Company for Fiscal 2019 as per the Restated Financial Information was ₹ 557.47 million while the consolidated total income of our Company for Fiscal 2019 was ₹ 8,523.77 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company and our Subsidiaries, in any such pending litigation proceeding is in excess of ₹ 11.15 million (being two per cent of the consolidated profit after tax of our Company for Fiscal 2019 as per the Restated Financial Information); and*
- ii. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of our Company have been considered “material”;*

*B. involving our Directors and our Promoters (individually or in aggregate), the outcome of which would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved, has been considered as material.*

*However, due to limited number of other pending litigations, we have disclosed all other pending litigations involving our Company, Subsidiaries, Directors, Promoters or any other person.*

*Further, except as disclosed in this section, there are no (i) disciplinary action taken against any of our Promoters by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Draft Red Herring Prospectus; and (ii) litigation involving our Group Companies which may have a material impact on our Company.*

*Further, in accordance with the Materiality Policy, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom the Company has availed financing facilities) for the purpose of disclosure in the offer documents, if amounts due to such creditor exceeds five per cent. of the total consolidated trade payables of our Company as per the most recently completed Fiscal as per the Restated Financial Information. Accordingly, we have disclosed consolidated information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 29.87 million (being approximately five per cent. of total consolidated trade payables of our Company as at March 31, 2019 as per the Restated Financial Information) (“Material Dues”). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”) will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

*Unless stated to the contrary, the information provided in this section is as of the date of this Draft Red Herring Prospectus. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.*

## **I. Litigation involving our Company**

### **A. Outstanding criminal proceedings involving our Company**

#### **Criminal proceedings initiated against our Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against our Company.

#### **Criminal proceedings initiated by our Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings by our Company.

### **B. Tax involving our Company**

The consolidated details of tax proceedings involving our Company are as follows:

<b>Nature</b>	<b>Number of cases</b>	<b>Amounts involved (in ₹ million)</b>
Direct tax	5	Nil
Indirect tax	3	523.29

### **C. Other outstanding litigation involving our Company**

#### *Civil litigations initiated against our Company*

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil proceedings against our Company.

#### *Civil litigations initiated by our Company*

#### **1. Civil Suit No. 214 of 2016 filed by our Company against Pel Softlabs Private Limited and others (“Defendants”), before the City Civil Court, Dindoshi, Mumbai.**

Our Company has filed this recovery suit against Defendants for recovery of ₹ 2.38 million. The matter arose due to nonpayment of outstanding invoices issued by our Company to the Defendants for services rendered by our Company to them. Being aggrieved, our Company has filed this suit against the Defendants and has prayed for recovery of ₹ 2.38 million together with the interest thereon. This matter is presently pending before the City Civil Court, Dindoshi, Mumbai.

### **D. Pending action by regulatory or statutory authority involving our Company**

#### **1. Notice dated March 16, 2013 issued by Cyber Police Station, Crime Branch, C.I.D., Mumbai**

Notice dated March 16, 2013 addressed to Rajdipkumar Gupta, was received by our Company from Cyber Police Station, Crime Branch, C.I.D., Mumbai, asking him to be present before the officers for conducting investigation into a matter of bulk sms on March 18, 2013 sent by one of our customer through our platform. Further, a notice was again sent after 5 years dated January 5, 2018, demanding attendance of our Director at Cyber Police Station, Bandra (Bandra Kurla Complex), for further inquiry into the same matter along with necessary evidence and documents relating to bulk sms on January 8, 2018. Our Company has not received any further notice or communication in this regard.

#### **2. Summons issued by SEBI in the case of Supreme Tex Mart Limited**

SEBI has issued a summons dated September 26, 2017 under Section 11 (2), 11 C (3) and 11 C (5) of the Securities and Exchange Board of India Act, 1992 to the legal officer of our Company, for co-operation in the investigation on the matter of “trading of certain entities in the scrip of Supreme Tex Mart Limited” and requested our Company to furnish certain documents and clarification in this regard. Pursuant to the summons, the legal officer of our Company, appeared before SEBI on September 29, 2017 and replied to the various queries raised by SEBI. Further, our Company vide letter dated October 4, 2017 submitted requisite documents in support of the response submitted by officials of our Company. Further, SEBI issued a summon under Section 11 (2) and 11 C (5) of the Securities and Exchange Board of India Act, 1992 on July 11, 2018 to the officials of our Company, to appear before the investigating authority in connection with the investigations instituted by SEBI vide an order dated March 07, 2017 in the case of Supreme Tex Mart Limited. Further, the concerned official of our Company have submitted their statement in this regard to SEBI on July 13, 2018.

SEBI, vide their email communications dated August 9, 2017, September 26, 2017, October 3, 2017, October 5, 2017 and October 27, 2017 had sought certain information inter alia, pertaining to our customers, invoices received from such customers and payments made by such customers to the Company in respect of the aforementioned matter. The Company vide responses dated August 9, 2017, September 26, 2017, October 4, 2017, October 5, 2017, October 6, 2017 and October 27, 2017 provided the information sought. SEBI by its order dated March 5, 2019 imposed a monetary penalty against the noticees in the abovementioned matter for impounding the unlawful gain in the scrip of Supreme Tex Mart Limited. Further, SEBI by its order dated July 11, 2019 noted that the investigation in the matter has been completed and no adverse remark was issued against our Company.

**3. Notice dated June 4, 2019 and August 13, 2019 issued by Assistant Director, Directorate of Enforcement, Mumbai Zonal Office – I, Mumbai**

Notices bearing no. F.No: T-3/250-MBZO-I/2019 – 9098 and F.No: T-3/250-MBZO-I/2019/DDN-10144 dated June 4, 2019 and August 13, 2019, respectively, was received by our Company from Assistant Director, Directorate of Enforcement, Mumbai Zonal Office – I, Mumbai (“**Department**”) under section 37 of the Foreign Exchange Management Act, 1999 read with Section 133(6) of the Income Tax Act, 1961 to furnish certain documents for the purpose of investigation under Foreign Exchange Management Act, 1999 for examination of the Department for the overseas direct investments made by our Company. Further, our Company has furnished the required information to the Department on June 11, 2019 and August 27, 2019 respectively.

## **II. Litigation involving our Subsidiaries**

### **A. Outstanding criminal proceedings involving our Subsidiaries**

#### **Criminal proceedings initiated against our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against our Subsidiaries.

#### **Criminal proceedings initiated by our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings by our Subsidiaries.

### **B. Tax involving our Subsidiaries**

The consolidated details of tax proceedings involving our Subsidiaries are as follows:

<b>Nature</b>	<b>Number of cases</b>	<b>Amounts involved (in ₹ million)</b>
Direct tax	8	Nil
Indirect tax	4	285.22

### **C. Other outstanding litigation involving our Subsidiaries**

#### **Civil litigations initiated against our Subsidiaries**



As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigation against our Subsidiaries.

#### **Civil litigations initiated by our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigation initiated by our Subsidiaries.

#### **D. Pending action by statutory or regulatory authorities against our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Subsidiaries.

### **III. Litigation involving our Directors**

#### **A. Outstanding criminal proceedings involving our Directors**

##### **Criminal proceedings against our Directors**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against our Directors.

##### **Criminal proceedings initiated by our Directors**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

#### **B. Tax involving our Directors**

The consolidated details of tax proceedings involving our Directors are as follows:

<b>Nature</b>	<b>Number of cases</b>	<b>Amounts involved (in ₹ million)</b>
Direct tax	-	-
Indirect tax	-	-

#### **C. Other outstanding litigation involving our Directors**

##### **Civil litigations initiated against our Directors**

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Directors.

##### **Civil litigations initiated by our Directors**

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Directors.

#### **D. Pending action by statutory or regulatory authorities against our Directors**

SEBI has issued a summons under section 11(2)(ia) and 11(C)(3) of the Securities and Exchange Board of India Act, 1992 dated January 18, 2018 to Chandrakant Gupta (proprietor of Spectrum Technologies) for production of information and for co-operation in investigation in the case of Sai Baba Investment and Commercial Enterprises Limited (“**Summon**”). The Summon was served for investigating SMS’s sent, by Sai Baba Investment and Commercial Enterprises Limited, to investors to purchase stocks of certain listed entities and thus causing fluctuations in the share price. It was alleged that the bulk SMSs were sent by various entities through telemarketers and telecom services providers. The Summon required provision of information to SEBI to facilitate further investigation in the matter. Further, the Summon was replied to, vide an email dated January 29, 2018. As on the date of this Draft Red

Herring Prospectus, the SEBI investigation is still pending, however there is no further communication with SEBI in this matter.

#### **IV. Litigation involving our Promoters**

##### **A. Outstanding criminal proceedings involving our Promoters**

###### **Criminal proceedings against our Promoters**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against our Promoters.

###### **Criminal proceedings initiated by our Promoters**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoters.

##### **B. Tax involving our Promoters**

The consolidated details of tax proceedings involving our Promoters are as follows:

<b>Nature</b>	<b>Number of cases</b>	<b>Amounts involved (in ₹ million)</b>
Direct tax	-	-
Indirect tax	-	-

##### **C. Other outstanding litigation involving our Promoters**

###### **Civil litigations against our Promoters**

As on the date of this Draft Red Herring Prospectus, there are no civil litigations initiated against our Promoters.

###### **Civil litigations initiated by our Promoters**

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Promoters.

##### **D. Pending action by statutory or regulatory authorities against our Promoters**

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoters.

##### **E. Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange**

No disciplinary action has been taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus either by SEBI or any stock exchange.

#### **V. Litigation involving our Group Companies**

There is no pending litigation involving our Group Companies which may have a material impact on our Company.

#### **VI. Outstanding dues to small scale undertakings or any other creditors**

In terms of the Materiality Policy, as of March 31, 2019, our Company had 5 (five) material creditors to whom the outstanding dues owed was ₹ 289.40 million.

Further, based on available information regarding status of the creditor as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as of March 31, 2019, our Company did not owe any dues to any small scale undertakings. With respect to other creditors, as of March 31, 2019, our Company owed outstanding dues of ₹ 597.41 million to a total of 282 creditors.

Complete details of outstanding overdues to our material creditors along with the name and amount involved as on March 31, 2019 for each such material creditor is available on the website of our Company at [www.routemobile.com](http://www.routemobile.com). Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, [www.routemobile.com](http://www.routemobile.com), would be doing so at their own risk.

## **VII. Material developments since the last balance sheet date**

Except as stated in *“Management's Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments after March 31, 2019 that may affect our future results of operations”* on page 311, there have been no developments subsequent to March 31, 2019 that we believe are expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

## GOVERNMENT AND OTHER APPROVALS

*Except as disclosed herein, we have obtained all material consents, licenses, permissions, registrations and approvals, from various governmental statutory and regulatory authorities, which are necessary for undertaking our current business activities and operations (“Material Approvals”). Except as disclosed below, no further Material Approvals are required for carrying on the present business activities and operations of our Company or our Subsidiaries. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring Prospectus.*

*For details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies” on page 118.*

### I. Approvals in relation to the Offer

For the approvals and authorizations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 358.

### II. Material Approvals in relation to the business operations of our Company and our Subsidiaries, as Applicable


1. Certificate of registration as telemarketer issued by Telecom Regulatory Authority of India under the provisions of the Telecom Commercial Communications Customer Preference Regulations, 2010.
2. Certificate of Associate Membership issued by Director General Member of the Board GSM Association.
3. ITES Registration Certificate for content development issued by Joint Director of Industries (MMR), Government of Maharashtra.
4. Value Added Services License for content service provider and commercial license for telecommunication and network in respective jurisdictions in which our Subsidiaries operates.

### III. Certain other Material Approvals, as applicable








1. Certificates of incorporation issued by the respective registrar of companies. For details of certificates of incorporation, see “History and Certain Corporate Matters” and “Our Subsidiaries” on pages 142 and 149;
2. PAN, TAN, GST registrations issued by respective tax authorities under relevant tax statutes; and
3. Certificate of Importer Exporter Code issued by the Ministry of Commerce, Government of India to our Company.

### IV. Approvals in relation to intellectual property of our Company and Subsidiaries








Our Company has obtained the following trademark registrations:








Sr. No.	Particulars of the mark	Trademark No.	Class	Valid/ renewed upto
1.	Acculync	3713451	38	December 28, 2027
2.	Acculync	3713452	9	December 28, 2027
3.	ROUTE	3318837	38	July 25, 2026
4.		3318839	38	July 25, 2026

Our Company has made applications for the registration of the following trademarks under the Trademarks Act, 1999:







Sr. No.	Particulars of the mark	Application No.	Class	Date of Application
1.		3170118	42	January 28, 2016
2.		3170119	42	January 28, 2016
3.		3713453	9	December 28, 2017
4.		3713454	38	December 28, 2017
5.	ROUTE	3990289	16	November 2, 2018
6.	ROUTE	3990290	35	November 2, 2018
7.	ROUTE	3990292	42	November 2, 2018
8.	 Omnichannel Enterprise API Network <small>A Route Mobile Platform</small>	4293700	9	September 14, 2019
9.	 Omnichannel Enterprise API Network <small>A Route Mobile Platform</small>	4293701	38	September 14, 2019
10.	 Omnichannel Enterprise API Network <small>A Route Mobile Platform</small>	4293702	42	September 14, 2019

Trademarks received by Cellent Technologies (India) Private Limited:

Sr. No.	Particulars of the mark	Trademark No.	Class	Valid/renewed upto
1.	<b>Cellent</b>	1443279	38	April 7, 2026
2.		1443280	38	April 7, 2026
3.		1443281	38	April 7, 2026
4.	<b>www.cellent.com</b>	1443282	38	April 7, 2026
5.	<b>Cellent</b>	1456393	9	June 2, 2026
6.		1456394	9	June 2, 2026
7.		1456395	9	June 2, 2026
8.	<b>www.cellent.com</b>	1456396	9	June 2, 2026
9.	<b>Cellent</b>	1456397	42	June 2, 2026
10.		1456398	42	June 2, 2026
11.		1456399	42	June 2, 2026
12.	<b>www.cellent.com</b>	1456400	42	June 2, 2026
13.		1491933	38	September 28, 2026

Sr. No.	Particulars of the mark	Trademark No.	Class	Valid/renewed upto
14.		1491934	38	September 28, 2026
15.		1491935	38	September 28, 2026
16.		1491936	38	September 28, 2026
17.	MOOGA	1491937	38	September 28, 2026
18.		1491938	41	September 28, 2026
19.		1491939	41	September 28, 2026
20.		1491940	41	September 28, 2026
21.		1491941	41	September 28, 2026
22.	<b>MOOGA</b>	1491942	41	September 28, 2026

Trademarks received by Start Corp (India) Private Limited:

Sr. No.	Particulars of the mark	Trademark No.	Class	Valid/renewed upto
1.		1462993	42	June 21, 2026
2.	<b>START ENTERPRISE</b>	1462994	42	June 21, 2026
3.		1462995	38	June 21, 2026
4.	<b>START ENTERPRISE</b>	1462996	38	June 21, 2026
5.	Medium Codes	1443339	38	April 7, 2026
6.		1443340	38	April 7, 2026
7.		1443341	38	April 7, 2026
8.		1443342	38	April 7, 2026
9.	www.mediumcodes.com	1443343	38	April 7, 2026
10.		1443344	38	April 7, 2026

**V. Licenses / approvals which have expired and for which renewal applications have been made by our Company and Subsidiaries.**

NIL

**VI. Licenses / approvals which are required but not yet applied for by our Company and Subsidiaries**

NIL

**VII. Licenses / approvals expired for which no application has been made by our Company and Subsidiaries**

NIL

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Offer**

#### Corporate Approvals

- The Board, pursuant to its resolution dated September 12, 2019, authorised the Offer subject to approval of the Shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013. The Shareholders of our Company have, by a special resolution dated September 13, 2019, approved and authorised the Offer and authorised the Board to take decisions in relation to this Offer.
- The Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 30, 2019.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

#### Approvals from the Selling Shareholders

Sandipkumar Gupta and Rajdipkumar Gupta have consented to participate in the Offer for Sale and to offer, such number of Equity Shares held by each of them in the Company, as may cumulatively aggregate up to ₹ 3,600.00 million, as part of the Offer, pursuant to consent letters, each dated September 30, 2019.

The Selling Shareholders confirm that the Equity Shares being offered as part of the Offer for Sale have been held in compliance with Regulation 8 of the SEBI ICDR Regulations.

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoters, our Directors, and the members of the promoter group have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Directors and Promoters are not directors or promoters of any other company which is debarred from accessing the capital markets by SEBI.

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, our Promoters, the members of the promoter group and Selling Shareholders are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent in force and applicable, as on the date of this Draft Red Herring Prospectus.

### **Directors associated with the Securities Market**

Except Sudha Navandar, who is a director of Anand Rathí Wealth Services Limited and Anand Rathí Financial Services Limited, none of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

### **Eligibility for the Offer**

Our Company is undertaking the Offer in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which states the following:



*“An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”*

We are an unlisted company, not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to allot not less than 75% of the Net Offer to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

- a. None of our Company, our Promoters, members of our promoter group or our Directors or Selling Shareholders are debarred from accessing the capital markets by the SEBI.
- b. None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- c. None of our Company, our Promoters or Directors is a wilful defaulter.
- d. None of our Directors or our Promoters has been declared a Fugitive Economic Offender.
- e. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Each of the Selling Shareholders confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, ICICI SECURITIES LIMITED, AXIS CAPITAL LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED, AND IDBI CAPITAL MARKETS & SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2019 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

#### **Disclaimer from our Company, the Selling Shareholders and the BRLMs**

Our Company, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.routemobile.com](http://www.routemobile.com), would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) downloading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

#### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus did not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act, “Rule 144A”) in reliance on the exemption from registration requirements of the Securities Act provided by Rule 144A, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.**

#### **Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the filing with the RoC.

#### **Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the filing with the RoC.

#### **Listing**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications shall be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

#### **Consents**

Consents in writing of the Promoters, our Directors, our Company Secretary and Compliance Officer, Statutory Auditors, Legal Counsel to our Company and the Selling Shareholders as to Indian Law, Legal Counsel to the BRLMs as to Indian Law, International Legal Counsel to our Company, Bankers to our Company, the BRLMs, the Registrar to the Offer, [●] have been obtained; and consents in writing of the Syndicate Members, Sponsor Bank and the Bankers to the Offer to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

#### **Expert to the Offer**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated September 30, 2019 from our Statutory Auditor, namely, Walker Chandiok & Co LLP, Chartered Accountants to include their name as required under section 26 of the Companies Act, 2013, in this Draft Red Herring Prospectus and as an ‘expert’ as defined under Section 2(38) of the Companies Act, 2013, in relation to its examination reports, dated September 30, 2019 on the Restated Financial Statements and the Statement of Tax Benefits dated September 30, 2019 and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term ‘expert’ and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

#### **Capital issue during the preceding three years by our Company, listed Group Companies, Subsidiaries and our associate**

Other than as disclosed in the section entitled “*Capital Structure – Share Capital History of our Company*” on page 71, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

None of the securities of any of our Subsidiaries, associates or Group Companies are listed on any stock exchange.

#### **Previous Public/ rights issue of our Company during the last five years preceding the date of the DRHP**

Our Company had previously filed a draft red herring prospectus dated January 22, 2018 with SEBI in relation to a proposed initial public offering of equity shares and had received the final observations from SEBI on August 16, 2018. However, our Company did not proceed with the aforesaid initial public offering of equity shares at that point of time after receiving the SEBI approval.

#### **Performance vis-à-vis objects – Public/ rights issue of our Company**

Our Company has not undertaken any public or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

#### **Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries of our Company**

Our Company does not have any subsidiaries which has undertaken any public or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

#### **Commission and Brokerage paid on previous issues of the Equity Shares in the last five years**

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company’s incorporation.

## Price information of past issues handled by the BRLMs

### A. ICICI Securities Limited

Price information of past issues handled by ICICI Securities Limited

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Galaxy Surfactants Limited	9,370.90	1,480.00	8-Feb-18	1,525.00	+1.14%, [-3.31%]	-0.85%[+1.33%]	-14.68%[+7.66%]
2	Aster DM Healthcare Limited	9,801.40	190.00	26-Feb-18	183.00	-13.66%[-3.77%]	-5.39%[+1.00%]	-8.16%[+9.21%]
3	Sandhar Technologies Limited	5,124.80	332.00	02-Apr-18	346.10	+19.59%[+4.96%]	+15.41%[+4.36%]	-4.20%[+7.04%]
4	HDFC Asset Management Company Limited	28,003.31	1,100.00	06-Aug-18	1,726.25	+58.04%[+1.17%]	+29.60%[-7.58%]	+23.78%[-4.33%]
5	Creditaccess Grameen Limited	11,311.88	422.00	23-Aug-18	390.00	-21.16%[-3.80%]	-14.90%[-8.00%]	-5.71%[-8.13%]
6	Aavas Financiers Ltd	16,403.17	821.00	08-Oct-18	750.00	-19.32%[+1.76%]	+2.39%[+4.09%]	+38.82%[+12.74%]
7	IndiaMart InterMesh Ltd	4,755.89	973.00 <sup>(1)</sup>	04-Jul-19	1,180.00	+26.39%[-7.95%]	NA *	NA *
8	Affle (India) Limited	4,590.00	745	08-Aug-19	926.00	+12.56%[-0.78]	NA *	NA *
9	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	824	-0.73%[-2.14%]	NA *	NA *
10	Sterling and Wilson Solar Limited	28,496.38	780.00	20-Aug-19	706.00	-7.01%[-1.60%]	NA *	NA *

\*Data not available

(1) Discount of ₹ 97 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹ 973.00 per equity share.

#### Notes:

- All data sourced from [www.nseindia.com](http://www.nseindia.com)
- Benchmark index considered is NIFTY
- 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day is a holiday, in which case we have considered the closing data of the next trading day

Summary statement of price information of past issues handled by ICICI Securities Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20*	4	49,850.66	-	-	1	-	1	2	-	-	-	-	-	-
2018-19	4	60,843.16	-	-	2	1	-	1	-	-	2	-	1	1
2017-18	9	208,306.61	-	-	5	1	-	3	-	-	5	1	2	1

\*(1) This data covers issues upto YTD

## B. Axis Capital Limited

Price information of past issues handled by Axis Capital Limited

Sr. No.	Issue name	Issue size (₹ million)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Sterling And Wilson Solar Limited	28,809.42	780.00	20-Aug-19	706.00	-21.88%, [-1.60%]	-	-
2	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	825.00	-0.56%, [-2.14%]	-	-
3	Polycab India Limited	13,452.60	538.00^	16-Apr-19	633.00	+15.36%, [-5.35%]	+14.70%, [-1.99%]	-
4	Chalet Hotels Limited	16,411.80	280.00	07-Feb-19	294.00	+1.14%, [-0.31%]	+24.41%, [+3.87%]	+10.77%, [-1.87%]
5	Ircon International Limited	4,667.03	475.00*	28-Sep-18	412.00	-27.04%, [-8.24%]	-6.60%, [-1.84%]	-15.71%, [+5.06%]
6	HDFC Asset Management Company Limited	28,003.31	1,100.00	06-Aug-18	1,726.25	+57.43%, [+1.17%]	+30.61%, [-7.32%]	+23.78%, [-4.33%]
7	Sandhar Technologies Limited	5,124.80	332.00	02-Apr-18	346.10	+18.09%, [+5.17%]	+15.95%, [+4.92%]	-4.20%, [+7.04%]

Sr. No.	Issue name	Issue size (₹ million)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
8	Hindustan Aeronautics Limited	41,131.33	1,215.00 <sup>1</sup>	28-Mar-18	1,152.00	-6.96%, [+4.98%]	-25.84%, [+6.41%]	-25.45%, [+10.18%]
9	Bandhan Bank Limited	44,730.19	375.00	27-Mar-18	499.00	+31.81%, [3.79%]	+42.96%, [+6.26%]	+51.89%, [+9.42%]
10	Aster DM Healthcare Limited	9801.00	190.00	26-Feb-18	183.00	-13.66%, [-3.77%]	-4.97%, [+0.21%]	-8.16%, [+9.21%]

Source: [www.nseindia.com](http://www.nseindia.com)

\* Offer Price was 465.00 per equity share to Retail Individual Bidders and Eligible Employees

! Offer Price was ₹1,190.00 per equity share to Retail Individual Bidders and Eligible Employees

^Offer Price was ₹ 485.00 per equity share to Eligible Employees

Notes:

a. Issue Size derived from Prospectus/final post issue reports, as available.

b. The CNX NIFTY is considered as the Benchmark Index.

c. Price on NSE is considered for all of the above calculations.

d. In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.

e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

1. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ in million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2019-2020*	3	54,271.38	-	-	2	-	-	1	-	-	-	-	-	-
2018-2019	4	54,206.94	-	1	-	1	-	2	-	-	2	-	-	2
2017-2018	18	492,662.22	-	1	9	1	3	4	-	2	7	4	2	3

\* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

### C. Edelweiss Financial Services Limited

Price information of past issues handled by Edelweiss:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	IndiaMART InterMESH Limited	4,755.89	973.00**	July 4, 2019	1180.00	26.36% [-7.95%]	Not Applicable	Not Applicable
2	Polycab India Limited	13,452.6	538.00^	April 16, 2019	633.00	15.36% [-5.35%]	14.70% [-1.99%]	Not Applicable
3	Aavas Financiers Limited	16,403.17	821.00	October 8, 2018	750.00	-19.32% [1.76%]	2.42% [3.67%]	38.82% [12.74%]
4	Fine Organic Industries Limited	6,001.69	783.00	July 2, 2018	815.00	5.72% [6.56%]	35.20% [2.56%]	50.21% [1.90%]
5	ICICI Securities Limited	34,801.16	520.00	April 4, 2018	435.00	-27.93% [5.44%]	-37.26% [5.22%]	-44.39% [7.92%]
6	Galaxy Surfactants Limited	9,370.88	1,480.00	February 8, 2018	1,525.00	1.14% [-3.31%]	-0.85% [1.33%]	-14.68% [7.66%]
7	Amber Enterprises India Limited	6,000.00	859.00^^^	January 30, 2018	1,175.00	27.15% [-5.04%]	24.98% [-3.23%]	10.58% [2.07%]
8	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	6.91% [-1.86%]	-5.20% [4.13%]
9	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-4.17% [3.37%]	-11.51% [0.75%]	-28.51% [4.93%]
10	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	31.52% [0.48%]	48.93% [2.11%]	74.66% [5.04%]

Source: [www.nseindia.com](http://www.nseindia.com)

^^^ Amber Enterprises India Limited - employee discount of ₹ 85 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹ 859 per equity share



**^Polycab India Limited – employee discount of ₹53 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹538 per equity share**

**\*\* IndiaMART InterMESH Limited - A discount of ₹ 97 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹973 per equity share**

**Notes**

1. Based on date of listing.
2. % of change in closing price on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day.
3. Wherever 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
4. The Nifty 50 index is considered as the benchmark index
5. Not Applicable. – Period not completed
6. Disclosure in Table-1 restricted to 10 issues.

1. Summary statement of Disclosure :

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20*	2	18,208.49	-	-	-	-	1	1	-	-	-	-	-	-
2018-19	3	57,206.02	-	1	1	-	-	1	-	1	-	1	1	-
2017-18	11	218,549.76	-	-	1	1	5	4	-	1	3	3	1	3

The information is as on the date of the document

1. Based on date of listing.
2. Wherever 30<sup>th</sup> and 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
3. The Nifty 50 index is considered as the Benchmark Index.

\*For the financial year 2019-20 – 2 issues have been completed. 2 issue has completed 30 days. 1 issue has completed 90 days.

**D. IDBI Capital Markets & Securities Limited:**

**Price information of past issues handled by IDBI Capital Markets & Securities Limited**

Sr. No.	Issue Name	Issue Size (in ₹ Million)	Issue Price (₹)	Listing Date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
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1.	Rail Vikas Nigam Limited	4,768.61	19.00 <sup>(7)</sup>	April 11, 2019	19.00	+19.47% (-2.74%)	+40.26% (-0.35%)	N.A.
2.	Garden Reach Shipbuilders & Engineers Limited	3,435.89	118.00 <sup>(6)</sup>	October 10, 2018	102.50	-23.05% (+1.20%)	-19.11% (+2.98%)	-16.82% (+10.94%)
3.	IRCON International Limited	4,667.03	475.00 <sup>(5)</sup>	September 28, 2018	412.00	-26.62% (-6.22%)	-6.60% (-1.84%)	-15.71% (+5.06%)
4.	rites Limited	4,604.40	185.00 <sup>(4)</sup>	July 02, 2018	190.00	+34.97% (+6.56%)	+33.54% (+3.29%)	+49.70% (+1.90%)
5.	Mishra Dhatu Nigam Limited	4,328.96	90.00 <sup>(3)</sup>	April 04, 2018	87.00	+67.89% (+5.44%)	+40.44% (+5.22%)	+26.39% (+8.69%)
6.	Bharat Dynamics Limited	9,527.88	428.00 <sup>(2)</sup>	March 23, 2018	370.00	-4.65% (+5.87%)	-9.78% (+7.74%)	-19.60% (+12.81%)
7.	Security and Intelligence Services (India) Limited	7,795.30	815.00	August 10, 2017	879.00	-3.29% (+1.17%)	3.14% (+5.40%)	+39.12% (+8.62%)
8.	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	+127.92% (+5.84%)	+128.86% (+2.26%)	+146.71% (+10.61%)
9.	Housing and Urban Development Corporation Limited	12,095.70	60.00 <sup>(1)</sup>	May 19, 2017	73.00	+13.17% (+2.44%)	+34.67% (+4.98%)	+35.67% (+8.05%)

(1): Price for retail individual bidders bidding in the retail portion and to eligible employees was INR 58.00 per equity share

(2): Price for retail individual bidders bidding in the retail portion and to eligible employees was INR 418.00 per equity share

(3): Price for retail individual bidders bidding in the retail portion and to eligible employees was INR 87.00 per equity share

(4): Price for retail individual bidders bidding in the retail portion and to eligible employees was INR 179.00 per equity share

(5) Price for retail individual bidders bidding in the retail portion and to eligible employees was INR 465.00 per equity share

(6) Price for retail individual bidders bidding in the retail portion and to eligible employees was INR 113.00 per equity share

(7) Price for retail individual bidders bidding in the retail portion and to eligible employees was INR 18.50 per equity share

N.A: Not Available

#### Notes:

a. Source: www.nseindia.com for the price information

b. Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.

c. The Nifty 50 index is considered as the benchmark index.

#### Summary statement of price information of past issues handled by IDBI Capital Markets & Securities Limited

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ million.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between n 25-50%	Less than 25%
2019 - date of this date of DRHP*	1	4,768.61	-	-	-	-	-	1	-	-	-	-	-	-
2018 - 19	4	17,036.28	-	1	1	1	1	-	-	-	2	-	2	-
2017 - 18	4	34,658.79	-	-	2	1	-	1	-	-	1	1	2	-

\* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

### Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs as set forth in the table below:

S. No.	Name of the BRLMs	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Axis Capital Limited	www.axiscapital.co.in
3.	Edelweiss Financial Services Limited	www.edelweissfin.com
4.	IDBI Capital Markets & Securities Limited	www.idbicapital.com

### Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

### Mechanism for Redressal of Investor Grievances

The agreement amongst the Registrar to the Offer, our Company and the Selling Shareholders provides for the retention of records with Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID in case of RIBs, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Bidders can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders' Relationship Committee comprising, Ankit Paleja as a Chairman, Ramachandran Sivathanu and Rajdipkumar Gupta as members. For details of the Stakeholders' Relationship Committee, see the section titled "*Our Management*" on page 163.

Our Company has also appointed Rathindra Das, the Company Secretary of our Company, as the Compliance Officer for the Offer. For details, please see the section entitled "*General Information*" on page 62.

Our Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

## SECTION VII: OFFER RELATED INFORMATION

### TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

#### The Offer

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in “*Objects of the Offer – Offer Expenses*” on pages 89.

#### Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association, the SEBI Listing Regulations and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled “*Description of Equity Shares and Terms of the Articles of Association*” on page 401.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see the sections titled “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*” on pages 188 and 401, respectively.

#### Face Value and Offer Price

The face value of each Equity Share is ₹ 10 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and the minimum Bid Lot will be decided by our Company in consultation with the BRLMs and will be advertised in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and Mumbai editions of Marathi newspaper [●] (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites in consonance with the SEBI ICDR Regulations. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

#### **Compliance with disclosure and accounting norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see the section titled “*Description of Equity Shares and Terms of the Articles of Association*” on page 401.

#### **Option to receive Equity Shares in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated March 16, 2016 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated February 6, 2016 between CDSL, our Company and Registrar to the Offer.

#### **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment of Equity Shares pursuant to the Offer to the successful Bidders will be only in electronic form and in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

#### **Period of operation of subscription list**

See the sub-section titled “*Terms of the Offer – Bid/ Offer Programme*” on page 372.

#### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, India.

### **Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, 2013, read with the Share Capital and Debenture Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

### **Withdrawal of the Offer**

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the same newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and Sponsor Banks, as applicable, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. If our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

### **Bid/Offer Programme**



<b>BID/OFFER OPENS ON</b>	[●]*
<b>BID/OFFER CLOSES ON</b>	[●]**

\* Our Company and Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one (1) Working Day prior to the Bid/ Offer Opening Date.

\*\*Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

<b>Event</b>	<b>Indicative Date</b>
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.**

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date with such reasonable support and cooperation of the Selling Shareholder, as maybe required in respect of their respective Equity Shares offered in the Offer for Sale, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post issue timeline for initial public offerings. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in change of the above mentioned timelines.

#### **Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/ Offer Period (except the Bid/Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
<b>Bid/Offer Closing Date</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs and the Sponsor Bank will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006, and letter no. NSE/IPO/25101-6 dated July 6, 2006, issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges.

On the Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.**

Any time mentioned in this Draft Red Herring Prospectus is IST.

Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software or hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company and Selling Shareholders, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap price shall be less than or equal to 120% of the Floor Price.

**In case of revision in the Price Band or in case of force majeure, banking strike or similar circumstances, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change on the terminals of the Syndicate Members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.**

### **Minimum Subscription**

If our Company does not receive the minimum subscription of 90% of the Fresh Issue on the date of closure of the Offer; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the offer document, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days, our Company and our Directors, who are officers in default, shall pay interest at the rate of fifteen per cent per annum.

In case of under-subscription in the Fresh Issue, Equity Shares offered pursuant to the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale. The Selling Shareholders shall, severally and not jointly, reimburse, in proportion to their respective Offered Shares, any expenses and interest incurred by our Company on behalf of the Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that no Selling Shareholders shall be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations.

#### **Arrangement for Disposal of Odd Lots**

There are no arrangements for disposal of odd lots.

#### **Restrictions, if any, on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre – Offer Equity Share capital of our Company, Promoters’ minimum contribution and the Anchor Investor lock-in Equity Shares as detailed in “*Capital Structure*” beginning on page 71 and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation/ splitting, except as provided in the Articles of Association. For details, see “*Description of Equity Shares and Terms of Articles of Association*” beginning on page 401.

## OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share including a premium of ₹ [●] per Equity Share, aggregating up to ₹ 6,000.00 million. The Offer comprises a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 2,400.00 million and an offer for sale of up to [●] Equity Shares aggregating up to ₹ 3,600.00 million by the Selling Shareholders being the Promoters, including up to [●] Equity Shares aggregating up to ₹ [●] million by Sandipkumar Gupta and up to [●] Equity Shares aggregating up to ₹ [●] million by Rajdipkumar Gupta. The Offer shall constitute up to [●] % of the fully diluted post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement for an aggregate amount not exceeding ₹1,000.00 million. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Offer, subject to the minimum Offer size constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company.

The face value of the equity shares is ₹10 each.

The Offer is being made through the Book Building Process.

Particulars	QIBs <sup>1</sup>	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation <sup>2</sup>	Not less than [●] Equity Shares	Not more than [●] Equity Shares or Offer less allocation to QIBs and Retail Individual Investors	Not more than [●] Equity Shares or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer size available for allocation/ Allotment	Not less than 75% of the Offer shall be Allotted to QIB Bidders.  However, 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Domestic Mutual Fund reservation will be available for allocation to QIBs (excluding Anchor Investor Portion).	Not more than 15% of the Offer or the Offer.	Not more than 10% of the Offer.
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares will be available for allocation on a proportionate basis to Mutual Funds; and  (b) [●] Equity Shares will be available for allocation on	Proportionate	Allotment shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis.  For more information, please see “Offer Procedure” on page

Particulars	QIBs <sup>1</sup>	Non-Institutional Investors	Retail Individual Investors
	a proportionate basis to all other QIBs including Mutual Funds receiving allocation as per (a) above.		382.
	Our Company and Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only.		
Mode of Bidding	Through ASBA process only (except Anchor Investors)		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Offer, (excluding QIB Portion) subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can Apply <sup>3</sup>	Public financial institutions specified in Section 2(72) of the Companies Act, FPIs (other than individuals, corporate bodies, and family offices), scheduled commercial banks, mutual funds registered with SEBI, VCFs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts.	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares.

Particulars	QIBs <sup>1</sup>	Non-Institutional Investors	Retail Individual Investors
	minimum corpus of ₹ 250 million, the National Investment Fund set up by the GoI, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and NBFC-SIs, as defined in the SEBI ICDR Regulations.		
Terms of Payment <sup>4</sup>	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>4</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank through the UPI Mechanism (for RIBs using the UPI Mechanism) at the time of the submission of the Bid cum Application Form.</p>		

\* Assuming full subscription in the Offer

<sup>1</sup> Our Company and the Selling Shareholders, in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

<sup>2</sup> Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be allotted on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

<sup>3</sup> If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

<sup>4</sup> Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

*Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

## OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iii) Payment Instructions for ASBA Bidders/Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Bid Form); (vi) Submission of Bid Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (ix) mode of making refunds; and (x) interest in case of delay in Allotment or refund.*

*SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.*

*Our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.*

*Our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

### **Book Building Procedure**

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders, in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the price at which allocation is made to Anchor Investors. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than



10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws and receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

### **Phased implementation of UPI for Bids by Retail Individual Bidders as per the UPI Circular**

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, (collectively the “**UPI Circular**”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI Mechanism will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. **Phase I:** This phase was applicable from January 1, 2019, and till June 30, 2019. Under this phase, a Retail Individual Bidder had the option to submit the Bid cum Application Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.
- b. **Phase II:** This phase has become applicable from July 1, 2019, and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, physical submission of the Bid cum Application Form by a Retail Individual Bidder through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will compulsorily be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.
- c. **Phase III:** Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

### **Bid cum Application Form**

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of the ASBA Forms will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Offer Opening Date. Anchor Investor Application Forms shall be available at the offices of the BRLMs at least one day prior to the Anchor Investor Bidding Date.

Bidders (other than RIBs using the UPI Mechanism and Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Offer for purpose of reconciliation.

RIBs using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

RIBs Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. RIBs Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Further, such Bidders (other than Anchor Investors), including RIBs using the UPI Mechanism, shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of the relevant Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms (except electronic Bid-cum-Application Forms) not bearing such specified stamp may be liable for rejection. RIBs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RIB who is not Bidding using the UPI Mechanism.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors**	[●]

\* Excluding electronic Bid cum Application Forms

\*\*Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.

*Note: Electronic Bid cum Application Forms and the abridged prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com))*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form (except a Bid cum Application Form from RIBs using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any escrow bank. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RIB who is not Bidding using the UPI Mechanism.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters/Promoter Group**

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the Net QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs or any associate of the BRLMs ((except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies, and family offices, sponsored by the entities which are associate of the BRLMs) nor any "person related to the Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if: (a) either of them controls , directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Selling Shareholders and the Members of the Promoter Group will not participate in the Offer except to the extent of the Offered Shares.

**Electronic registration of Bids**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be (a) “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Red Herring Prospectus as “QIBs”) and (b) “qualified purchasers” (as defined in as defined in the U.S. Investment Company Act of 1940, as amended) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights. No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme.

#### **Bids by HUFs**

Bids by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;

#### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the BRLMs, Syndicate Members and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or should confirm/accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non-Resident External (“**NRE**”) accounts or Foreign Currency Non-Resident (“**FCNR**”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSB or should confirm/accept the UPI Mandate Request (in case of

RIBs Bidding using the UPI Mechanism) to block their Non- Resident Ordinary (“**NRO**”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

Participation of Eligible NRIs in the Offer shall be subjected to the FEMA Regulations.

### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the issue of equity shares to a single FPI or an investor group (which means multiple entities having common ownership, directly or indirectly, of more than fifty percent, or common control) must be below 10% of the post-issue equity share capital of a company on a fully diluted basis. Further, in terms of FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company. In terms of FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 24% of the paid-up capital on a fully diluted basis or the sectoral/statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance of sectoral conditions as laid down in these regulations.

In accordance with the FEMA Regulations, participation by FPIs is restricted under Schedule 2 of the FEMA Regulations, in accordance with applicable law, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company and the aggregate limit for FPI investment not exceeding 24% of the post-Offer paid-up capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap, if any by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders of a company.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI date January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons eligible to be registered as Category I FPIs; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI may transfer offshore derivative instruments to persons compliant with the requirements of Regulation 21(1) of the SEBI FPI Regulations and subject to receipt of consent, except where pre-approval is provided.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations, inter-alia, prescribe the respective investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI. Accordingly, the holding by any individual VCF or FVCI registered with SEBI, in any company should not exceed 25% of the corpus of the VCF. Further, VCFs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission. Neither our Company, nor the Selling Shareholders nor the BRLMs will be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 (the "**Financial Services Directions**"), is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to inter alia make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed under 5(b)(i) of the Financial Services Directions), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a) (v) (c) (i) of the Financial Services Directions. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by NBFC-SI**

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SIs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

- i. equity shares of a company: the lower of 10%\* of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a reinsurer;
- ii. the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- iii. the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time including the IRDAI Investment Regulations.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit, without assigning any reasons thereof.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.
5. Our Company and the Selling Shareholder, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - a. maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
  - b. minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
  - c. in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Office Price.
9. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
10. Neither the BRLMs or any associate of the BRLMs ((except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies, and family offices, sponsored by the entities which are associate of the BRLMs) nor any “person related to the



Promoters or Promoter Group” shall apply in the Offer under the Anchor Investor Portion. For further details, see “- *Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters/Promoter Group*” beginning on page 146.

11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
12. For more information, see the General Information Document.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in the Red Herring Prospectus and Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

### **Information for Bidders**

The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip (Acknowledgement Slip), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgment Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

In the event of an upward revision in the Price Band, RIBs who had Bid at Cut-off Price could either (i) revise their Bid, or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed ₹ 200,000, if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e. the original Bid Amount plus additional payment) exceeds ₹ 200,000 with respect to RIBs, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder, as the case may be, does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted

downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing of the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of the [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and the Mumbai edition of [●] (a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed under the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders, and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

### **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and will be complete in all material respects.

### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of the relevant Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
7. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) and PAN in the Bid cum Application Form;
8. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;
9. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;
10. RIBs not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
11. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
13. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
14. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
15. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
16. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
17. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
18. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
20. Ensure that Anchor Investors submit their Anchor Investor Application Form only to the BRLMs;

21. Ensure that the Demographic Details are updated, true and correct in all respects;
22. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
23. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;
24. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
25. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
27. Ensure that where the Bid cum Application Form is submitted in joint names, the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and in case of Bidding through a Designated Intermediary (other than for Anchor Investors and RIBs ) the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)) or such other websites as updated from time to time;
29. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
30. For RIBs using the UPI Mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
31. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
32. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
33. RIBs using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;

34. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
35. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to a Designated Intermediary;
4. RIB should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
6. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIBs not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs);
10. Do not Bid on a physical ASBA Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not Bid at Cut-off Price in case of Bids by QIBs and Non-Institutional Bidders;
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;
13. If you are a Non-Institutional Bidder or a Retail Individual Bidder, do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/ Offer Closing Date;
15. Do not Bid for a Bid Amount exceeding ₹200,000 for Bids by Retail Individual Bidders;
16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. Do not submit the General Index Register (GIR) number instead of the PAN;
18. Do not submit incorrect UPI ID details if you are a RIB Bidding through the UPI Mechanism;
19. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
21. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs using the UPI Mechanism;
22. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder;
24. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
25. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
26. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;
27. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
28. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
29. Do not submit a Bid using UPI ID, if you are not a RIB.
30. Do not submit a Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID (in case of in case of Bids submitted by RIBs using the UPI Mechanism); and
31. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Draft Red Herring Prospectus, as applicable, is not complied with.

**Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent. of the Offer may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

### **Payment into Escrow Account**

Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “[●]”
- (ii) In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated March 16, 2016, between our Company, NSDL and the Registrar to the Offer.
- Tripartite agreement dated February 6, 2016, between our Company, CDSL and the Registrar to the Offer.

## **Undertakings by our Company**

### **Our Company undertakes the following:**

- i. that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- ii. that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- iii. that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;
- iv. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- v. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- vi. that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- vii. that if our Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter;
- viii. that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and
- ix. that no further issue of Equity Shares shall be made until the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

### **Undertakings by each Selling Shareholder**

Each Selling Shareholder, severally and not jointly, undertakes the following in respect of themselves as a Selling Shareholder and its respective portion of the Offered Shares:

- (i) The Equity Shares offered pursuant to the Offer for Sale are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances prior to the filing of the Red Herring Prospectus with the RoC and be eligible for Offer in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer;
- (ii) that it is the legal and beneficial owner of and has full title to its respective portion of the Offered Shares;
- (iii) that it shall provide all support and cooperation as may be reasonably requested by our Company and the BRLMs to the extent such support and cooperation is in relation to its Offered Shares and in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares;



- (iv) that each Selling Shareholder specifically confirms that it shall not have any recourse to the proceeds of the Offer, until final listing and trading approvals have been received from the Stock Exchanges;
- (v) that it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer, except as permitted under applicable law;
- (vi) that it shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer;
- (vii) that it will provide such assistance as may be required by our Company and the BRLMs acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant to the Offer and statements specifically made or confirmed by it in relation to itself as a Selling Shareholder; and
- (viii) that it shall transfer its portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement.

The Selling Shareholders have authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of Offered Shares.

#### **Utilisation of Offer Proceeds**

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm and declare that

1. all monies received from the Offer shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilised, under an appropriate head in the balance sheet of our Bank indicating the purpose for which such monies have been utilised; and
3. details of all unutilised monies out of the Offer, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 (“**FDI Circular 2017**”), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DPIIT issues an updated circular.

As per current foreign investment policies, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with guidelines prescribed by SEBI / RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being issued and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) in reliance on the exemption from registration requirements of the Securities Act provided by Rule 144A, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

*Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.*

	Route Mobile Limited is established with Limited Liability in accordance with and subject to the provisions of the Indian Companies Act, 1956, but none of the Regulations contained in the Table marked F in Schedule I to the Companies Act, 2013, shall be applicable to the Company except so far as the said Act or any modification there otherwise expressly provides.
	The Regulations for management of the Company and for the observance of the members shall be such as are contained in these Articles.
<b>I.</b>	<b>SHARE CAPITAL, VARIATION OF RIGHTS &amp; BUY BACK</b>
4.	The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association. with power to Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum of Association. with power to Board of Directors to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital with and subject to any preferential, qualified or special rights, privileges, or conditions may be, thought fit and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. If and whenever the capital of the Company is divided into shares of different classes, the rights of any such class may be varied, modified, affected, extended, abrogated or surrendered as provided by the said Act or by Articles of Association or by the terms of issue, but not further or otherwise.
5.	The provisions of Section 43, 47 of the Act in so far as the same may be applicable to issue of share capital shall be observed by the Company.
6.	The Directors shall have regard to the restrictions on the allotment of shares imposed by Section 39 and 40 of the said Act so far as those restrictions are binding on the Company.
7.	The Company may at any time pay a commission to any person in consideration of his subscribing, or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares in or debentures of the Company and the provisions of Section 40 of the said Act shall be observed and complied with. Such commission shall not exceed the maximum permissible rate as prescribed in the Rules. Such commission may be paid in cash or by the allotment of Securities.
	Company shall not pay any commission to any underwriter on securities which are not offered to public for subscription.
	The number of shares or debentures which persons have agreed to for commission to subscribe absolutely or conditionally is disclosed in the manner aforesaid.
	Nothing in this clause shall affect the power of the Company to pay such brokerage as it may consider reasonable.
	A Vendor to, promoter of, other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received in payment of any commission the payment of which, if made directly by the Company, would have been legal under this Articles.
	The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in share, debentures or debenture stock of the Company, (whether fully paid or otherwise) or in any combination thereof.
8.	Except as provided by the Act, the Company shall not, except by reduction of capital under the provision of Sections 66 or Section 242 of the said Act, buy its own shares nor give, whether directly or indirectly, and

	whether by means of a loan, guarantee, provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company. Provided that nothing in this Article shall be taken to prohibit:
8.1	the provision of money in accordance with any scheme approved by the Company through Special Resolution and in accordance with the requirements specified in the relevant Rules, for the purchase of, or subscription for, fully paid up Shares in the Company, if the purchase of, or the subscription for the Shares held by trustees for the benefit of the employees or such Shares held by the employee of the Company;
	the giving of loans by the Company to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid up Shares in the Company to be held by them by way of beneficial ownership. Nothing in this clause shall affect the right of the Company to redeem any shares issued under Section 55.
8.2	Notwithstanding what is stated in Articles 8.1 above, in the event it is permitted by the Law and subject to such conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back.
9.	The Company shall have power to issue Securities at a premium and shall duly comply with the provision of Sections 52 of the said Act.
10.	The Company may, subject to the provisions of Section 55 of the said Act, issue preference shares which are liable to be redeemed and may redeem such shares in any manner provided in the said section and may issue shares up to the nominal amount of the shares redeemed or to be redeemed. Where the Company has issued redeemable preference shares the provisions of the said section shall be complied with. The manner in which such shares shall be redeemed, shall be as provided by Article 80 unless the terms of issue otherwise provide.
<b>II. SHARES AND SHAREHOLDERS</b>	
11.	The Company shall cause to be kept and maintained the following registers namely: (a) Register of members indicating separately for each class of equity and preference shares held by each member residing in India or outside India; (b) Register of debenture-holders; and (c) Register of any other security holders: (d) including an index in respect of each of the registers to be maintained in accordance with Section 88 of the Act.
	The Company shall also comply with the provisions of Sections 92 of the Act as to filing Annual Returns.
	The Company shall duly comply with the provisions of Section 94 of the Act in regard to keeping of the Registers, Indexes, copies of Annual Returns and giving inspection thereof and furnishing copies thereof.
12.	The shares in the capital shall be numbered progressively according to their several classes.
13.	Subject to the provisions of the said Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any one of them to such persons on such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 54 of the Act) at a discount and at such times as they may from time to time think fit and proper and with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium or subject aforesaid at a discount during such time and for such consideration and such option being exercisable at such times as the Directors think fit and may allot and issue shares in the capital of the Company in lieu of services rendered to the Company or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed to be fully paid up shares.
14.	The shares or other interest of any member in the Company shall be movable property transferable in the manner provided by the Articles of the Company.
	Each share in the Company having a share capital shall be distinguished by its appropriate number.
	Certificates of Shares:
	A certificate under the Seal of the Company specifying any shares held by any Member shall be prima facie evidence of the title of the Member to such shares.
15.	Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those Shares shall be transferred to an amount to be called "the securities premium account", and the provisions of the Act relating to the reduction of the Share Capital of

	a company shall except as provided in this clause, apply as if the securities premium account were paid-up share capital of the Company.
	The securities premium account may be applied by the Company for the purposes permissible pursuant to the Act
16.	The Company shall comply with the provisions of Section 62 of the Act with regard to increasing the subscribed capital of the Company.
17.	If and whenever as the result of issue of new shares or any consolidation or subdivision of shares, any shares become held by members in fractions the Directors shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be effected by any irregularity or invalidity in the proceedings in reference to the sale.
18.	An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of shares therein, shall be an acceptance of shares within the meaning of these Articles. The Directors shall comply with the provisions of Sections 39 and 40 of the Act so far as applicable.
19.	The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposits, calls or otherwise in respect of any shares allotted by them, shall, immediately on the inscription of the name in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
20.	Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares, falling under the same class. Explanation: -For the purpose of this provision shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.
21.	The Directors shall cause to be made the returns as to all allotments from time to time made in accordance with the provisions of Section 39 of the said Act.
22.	If, by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall when, due, be paid to the Company by the person who for the time being and from time to time shall be of the shares or his legal representative.
23.	Every member, or his executors or administrators or other representative, shall pay to the Company the portion of the capital represented by his share or shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.
24.	If any share stands in the names of two or more persons all the joint-holders of the share shall be severally as well as jointly liable for the payment of all deposits, installments, and calls due in respect of such shares, and for all incidents thereof according to the Company's regulations; but the persons first named in the Register shall, as regards service of notice, and all other matters connected with the Company, except the transfer of the share and any other matter by the said Act or herein otherwise provided, be deemed the sole holder thereof.
25.	Save as herein or by laws otherwise expressly provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof, and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any benami trusts whatsoever or equitable, contingent, future, partial or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof; the Directors shall, however be at liberty, at their sole discretion, to register any share in the joint names of any two or more persons, and the survivor or survivors of them.
<b>III.</b>	<b>CERTIFICATES</b>
26.	Subject to any statutory or other requirement having the force of law governing the issue and signatures to and sealing of certificate to shares and applicable to this Company for the time being in force the certificate of title to shares and the duplicate thereof when necessary shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (1) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and (2) the Secretary or some other person appointed by the Board for the purpose; a Director may sign a share certificate by affixing signature thereon by means of

	any machine, equipment or other mechanical means such as engraving in metal or lithography but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other materials used for the purpose.
27.	Every member shall be entitled without payment to the certificate for all the Shares of each class or denomination registered in his name, or if the Board, so approve (upon paying such fees as the Board may from time to time determine) to several certificates, each for one or of such Shares and the Company shall complete such certificate within two months after the allotment or such period as may be determined at the time of the issue of such capital whichever is longer or within one month after registration of the transfer thereof as provided by Section 56 of the Act. Every certificate of shares shall have its distinctive number and be issued under the Seal of the Company and shall specify the number and denoting number of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Board shall prescribe or approve provided that in respect of share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and the delivery of a certificate for a share or shares to one of several joint-holders shall be deemed to be sufficient delivery to all.
	A certificate of shares registered in the names of two or more persons, unless otherwise directed by them in writing, may be delivered to any one of them on behalf of them all.
	Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.
	Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the register of members as a holder of any share or whose names appear as beneficial owners of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as required by law) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.
	Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.
28.	If any certificate be worn out, defaced, destroyed or lost or if there be no further space on the back thereof for endorsement of transfer, then upon production thereof to the Board, they, may order the same to be cancelled, and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. A sum not exceeding Rs. 50/-shall be paid to the Company for every certificate issued under this clause, as the Board may fix from time to time, provided that no fee shall be charged for issue of new certificate in replacement of those which are old, worn, decrepit out or where the cages on the reverse for recording transfers have been fully utilised.
29	The Board may waive payment of any fee generally or in any particular case.
30	Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Board in that behalf.
31	The Board shall comply with requirements prescribed by any Rules made pursuant to the said Act; relating to the issue and execution of share certificates.
<b>IV.</b>	<b>CALLS ON SHARES</b>
32.	Subject to the provisions of Section 49 of the said Act, the Board may, from time to time, by means of resolution passed at its meetings make such calls as they may think fit upon the members in respect of moneys unpaid on the share held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board. A call may be made payable by installments.
33.	A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by members on a subsequent date to be specified by Directors.
34.	Fourteen days' notice at least of every call made payable otherwise than on allotment shall be given by the Company in the manner hereinafter provided for the giving of notices specifying the time and place of payment, and the person to whom such call shall be paid. Provided that before the time for payment of such

	call the Board may by notice given in the manner hereinafter provided revoke the same. The Board may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, the Board may deem fairly entitled to such extension; but no member shall be entitled to any such extension, except as a matter of grace and favour.
35.	If by the terms of issue of any share or otherwise any amount is payable at any fixed time or by installments at fixed times, whether on account of the share or by way of premium, every such amount or installments shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installments accordingly.
36.	If the sum payable in respect of any call or such other amount or installments be not paid on or before the day appointed for payment thereof or any extension thereof as aforesaid, the holder for the time being of the share, in respect of which the call shall have been made, or such amount or installment shall be due, shall pay interest for the same, from the day appointed for the payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum, as shall from time to time be fixed by the Board. Nothing in this Article shall however, be deemed to make it compulsory on the Board to demand or recover any such interest, and the payment of such interest, wholly or in part, may be waived by the Board if they think fit so to do.
37.	Any money due from the Company to a member may, without the consent and notwithstanding the objection of such member, be applied by the Company in or towards the payment of any money due from him to the Company for calls or otherwise.
38.	Neither a judgement nor a decree in favour of the Company for calls of other moneys due in respect of any shares nor any part-payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the forfeiture of such shares as hereinafter provided
39.	On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, or that the money sought to be recovered has actually been paid.
40.	The Board may, if they think fit, subject to the provisions of Section 50 of the Act receive from any member willing to advance the same, either in money or money's worth the whole or any part of the amount remaining unpaid on the shares held by him beyond the sum actually called up and upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time and at any time thereafter exceeds the amount of the calls then made upon and due respect of the shares on account of which such advances have been made, the Company may pay or allow interest at such rate as the member paying such advance and the Board agree upon; provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such member so much of money as shall then exceed the amount of the calls made upon such shares, unless there be an express agreement to the contrary; and after such repayment such member shall be liable to pay, and such advance had been made, provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the member to the Company for installments or calls, or any other manner, the member making such advance shall be entitled (as between himself and the other members) to receive back from the Company the full

	balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital.
	The member making such advance shall not, however, be entitled to any voting rights in respect of the moneys so advanced by him until the same would, but for such payment, become presently payable.
<b>V.</b>	<b>FORFEITURE OF AND LIEN ON SHARES</b>
41.	If any member fails to pay any money due from him in respect of any call made or amount or installment as provided in Article 35 on or before the day appointed for payment of the same, or any such extension thereof as aforesaid or any interest due on such call or amount or installment or any expenses that may have been incurred thereon, the Directors or any person authorised by them for the purpose may, at any time thereafter, during such time as such money remains unpaid, or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice in the manner hereinafter provided for the serving of notices on such member or any of his legal representatives or any of the persons entitled to the share by transmission, requiring payment of the money payable in respect of such share, together with such interest and all expenses (legal or otherwise) incurred by the Company by reason of such non-payment.
42.	The notice shall name a day (not earlier than the expiration of fourteen days from the date of the notice) and a place or places on or before and at which the money due as aforesaid is to be paid. The notice may also state that in the event of the non-payment of such money at or before the time and the place appointed, the shares in respect of which the same owed will be liable to be forfeited.
43.	If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which the notice is given may, at any time thereafter before payment of all calls or amounts or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture.
44.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture or to any of his legal representatives, or to any of the persons entitled to the share by transmission and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members. The provisions of this Article are, however, directory only and no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
45.	Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same, either to the original holder thereof or to any other persons, and either by public auction or by private sale and upon such terms and in such manner as the Directors shall think fit.
46.	In the meantime, and until any share so forfeited shall be sold, re-allotted or otherwise dealt with as aforesaid, the forfeiture thereof may at the discretion and by a resolution of the Board, be remitted or annulled as a matter of grace and favour but not as of right, upon such terms and conditions as they think fit.
47.	Any member whose shares have been forfeited shall, notwithstanding the forfeiture, remain liable to pay and shall forthwith pay to the Company all calls, amounts, installments, interest expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the time of the forfeiture until payment, at the rates, not exceeding ten percent per annum as the Board may determine, in the same manner in all respects as if the shares had not been forfeited, without any deduction or allowance for the value of the shares at the time to the forfeiture and the Board may enforce the payment thereof if they think fit (but without being under any obligation so to do) without entitling such member or his representative to any remission of such forfeiture or to any compensation for the same, unless the Directors shall think fit to make such compensation, which they shall have full power to do, in such manner and on such terms on behalf of the Company as they shall think fit.
48.	The forfeiture of a share shall involve the extinction of all interest in and of all claims and demands against the Company of the member in respect of the share and all other right of the member incident to the share except only such of those rights as by these Article are expressly saved.
49.	The Directors may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering those on such terms as they think fit.
50.	A certificate in writing, under signature of one Director and countersigned by any other person who may be authorised for the purpose by the Board, that the call, amount or installment in respect of a share was made or was due or the interest in respect of a call, amount or installment was or the expenses were payable, as the case may be, the notice thereof as aforesaid was given and default in payment was made and that the



	forfeiture of the share was made by a resolution of the Board to the effect, shall be conclusive evidence of the facts stated therein as against all persons entitled to or interested in such share.
51.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.
52.	The Company shall have a first and paramount lien upon all the shares not being fully paid-up shares, registered in the name of each member (whether solely or jointly with another or others) and upon the proceeds of sale thereof, for all moneys from time to time due or payable by him to the Company for calls made and all amounts or installments as provided by Article 35 payable in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that Article 25 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Board may at any time declare any shares to be exempt, wholly or partially from the provisions of this Article.
53.	For the purpose of enforcing such lien, the Directors may sell, the shares subject thereto in such manner as they think fit and transfer the same to the name of the purchaser, without any consent and notwithstanding any opposition on the part of the indebted member or any other person or persons interested therein and a complete title to the shares which shall be sold and transferred shall be acquired by the purchaser, by virtue of such sale and transfer, against such indebted member and all persons claiming with or under him whether he may be indebted to the Company in point of fact or not. But no such sale shall be made until notice in writing stating the amount due or specifying the liability of engagement and demanding payment or fulfillment or discharge thereof and of the intention to sell in default shall have been served upon such member or his heirs, executors, administrators, representatives or persons and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice.
54.	The net proceeds of any such sale after payment of the costs of such sale, shall be applied in or towards the satisfaction of such debts liabilities or engagements and the residue (if any) paid to such or any of his executors, administrators, representatives or assigns or any of the persons (if any) entitled by transmission to the shares sold.
55.	Upon any sale after forfeiture or upon any sale for enforcing a lien, in purported exercise of the powers hereinbefore given, the Directors may appoint some person or persons to execute an instrument of transfer of the shares sold.
56.	Upon any such sale after forfeiture or for enforcing a lien in purported exercise of powers the Board shall cause the purchaser's name to be entered in the Register in respect of the shares sold and shall issue to the purchaser a certificate such as is specified in Article 50 hereof in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
<b>VI.</b>	<b>TRANSFER AND TRANSMISSION OF SHARES</b>
57.	The Company shall keep a book called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company.
58.	No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint-holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee.
59.	In the case of the death of any one or more of the persons named in the Register as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to

	or interest in such share, but nothing herein contained shall be taken to release the estate of the deceased joint-holder from any liability on the shares held by him jointly with any other person.
60.	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
	Where there is no, nominee, the executors or administrators of a deceased member not being one of several joint-holders shall be the only persons recognised by the Company as having any title to the shares registered in the name of such deceased member, and the Company shall not be bound to recognise such executors or administrators, unless they shall have first obtained probate or letters of administration or other legal representation, as the case may be, provided nevertheless, the Directors, in any case where they in their absolute discretion think fit, may dispense with the production of Probate or Letters of Administration or such other legal representation, upon such terms as to indemnity or otherwise as they may deem fit and under the next Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member as a member in respect of such shares.
61.	Subject to the provisions of the last preceding Article, any person to whom the right to any share has been transmitted in consequence of the death or insolvency of any member or otherwise by operation of law may, with the consent of the Board (which they shall not be under any obligation to give) and upon his producing such evidence that he sustains the character in respect of which he proposes to act under the Article and of his title as the Directors think sufficient be registered as a member in respect of such shares . This clause is hereinafter referred to as the 'transmission clause'. A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of effecting the transmission.
62.	Every transmission of a share shall be verified in such a manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient; provided nevertheless, that there shall not be any obligation on the Company or the Directors to accept any indemnity, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
63.	A person entitled to share by transmission may, until the Directors otherwise determine as provided in Article 129, receive and give discharge for any dividends, bonuses or other moneys payable in respect of the share, but he shall not be entitled to vote at any meetings of the Company and to any of the rights and privileges of a member, unless and until he shall have become a member in respect of the shares.
64.	An application for the registration of a transfer of shares or other interest of a member in the Company may be made either by the transferor or the transferee. Where such application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the delivery of the notice.
65.	It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped, dated and executed by or on behalf of the Transferor and by or on behalf of the Transferee and specifying the name and address and occupation of the Transferee has been delivered to the Company along with the scrip and if no such scrip is in existence, along with the letter of allotment of the shares. Where the proper instrument of transfer is not received by the Company within a period of two months from the date on which the instrument is dated, the Directors may at their sole discretion be entitled to seek such documentation including indemnities as it may deem fit, from both the transferor and transferee, or from the person who has lodged the same for transfer, and the Board may at its sole discretion be entitled to give effect to the transfer on receipt of such documentation and indemnities (save where an order of a competent court is produced, the Board shall then give effect to the transfer).
	If the Company refuses to register the transfer of any shares, the Company shall within one month from the date on which the instrument of transfer is lodged with the Company send to the Transferee and the Transferor notice of the refusal as provided in Article 66.
	Nothing in clause (1) shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
	Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

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66. The Board may, at its absolute and uncontrolled discretion and without assigning or being under any obligation to give any reason, decline to register or acknowledge any transfer or transmission of shares and in particular, may so decline in any case in which the Company has a lien upon the shares or any of them or in the case of shares not fully paid-up whilst any moneys called or payable at a fixed time in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Board. Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The registration of a transfer shall be conclusive evidence of the approval by the Board of the transferee, but so far only as regards the share or shares in respect of which the transfer is so registered and not further or otherwise and not so as to debar the Board to refuse registration of any further shares applied for. If the Board refuses to register the transfer or transmission of any shares notice of the refusal shall within two months from the date on which the instrument of transfer on intimation of transmission was delivered to the Company be sent to the Transferee and the Transferor or to the person giving intimation of the transmission, as the case may be.
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67. The Transferor shall be deemed to remain the holder of the shares until the name of the transferee shall be entered in the Register of Members.
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68. Every instrument of transfer which shall be registered shall remain in the custody of the Company. If the transfer relates to the only share or all the shares comprise in the certificate, such certificate or a new certificate in lieu thereof shall, after the registration of the transfer, be delivered to the transferee and if the transfer relates only to a part of the shares comprised in the certificate, the same shall, on registration of the transfer be retained by the Directors and cancelled and new certificates will be issued to the transferor and the transferee in respect of the shares respectively, held by them.
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69. The Directors shall have power on giving seven days' notice by advertisement as required by Section 91 of the Act to close the Transfer Book and Register of Members of such period or periods of time in every year as to them may seem expedient, but not exceeding 45 days in any year and not exceeding 30 days at any one time.
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70. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the Register of Members), to the prejudice of any person or persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right title or interest or prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company; and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.
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71. The provision of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debentures of the Company.
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## **VII. ALTERATION OF SHARE CAPITAL**

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72. The Company may by Ordinary Resolution so alter the conditions of its Memorandum of Association as :
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- to increase its share capital by such amount as it thinks expedient by issuing new shares;
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- to consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
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- to convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denominations;
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- to sub-divide its shares or any of them into shares of smaller amount than is fixed by its Memorandum of Association, so however that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
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- to cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
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73. The Directors may from time to time without any sanction of the Company, whenever all the shares in the issued capital shall not have been subscribed and whether all the shares for the time being subscribed shall have been fully called up or not, issue further shares of such value as they may think fit out of the unsubscribed balance of the issued capital. Such further shares shall be issued upon such terms and
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	conditions (and if preference shares upon such conditions as to redemption) and with such rights and privileges annexed thereto as the Board shall direct and in particular, such shares may be issued with a preferential or qualified right to dividend and in the distribution of assets of the Company and subject to the provisions of Section 47 of the said Act with a special or without any right of voting and the Board may dispose of such shares or any of them either at par or at a premium, to any members or any class thereof or in such other manner as the Board may think most beneficial to the Company
74.	Where it is proposed to increase the subscribed capital of the Company by the issue of new shares: such new shares shall be offered to the persons who, at the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid-up on these shares at that date; the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice shall contain a statement of this right; after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company. To employees under a scheme of employees' stock option, subject to Special Resolution passed by the company and subject to such conditions as may be specified in the relevant Rules. To any persons, by way of passing a Special Resolution to that effect, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be specified in the relevant Rules Whenever any shares are to be offered to the members the Directors may dispose of any such shares which, by reason of the proportion borne by them to the number of persons entitled to such offer or by reason of any other difficulty in apportioning the same cannot in the opinion of the Directors be conveniently offered to the members. The right to issue further shares provided in this clause, shall include a right to the Company, to issue any instrument, including Global Depositary Receipt.
75.	Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by creation of new shares shall be considered as part of the capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer, transmission, forfeiture, lien, surrender; voting and otherwise in all respects as if it had been the original capital.
76.	The Directors shall, whenever there is a change in the share capital, file with the Registrar of Companies notice of the increase of the capital as provided by Section 64 of the said Act within thirty days after the passing of the resolution authorising the increase.
77.	When any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interest, in the same manner and subject to the same regulations as and subject to which shares in the Company's capital may be transferred or as near thereto as circumstances will admit. But the Board may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but with full power, nevertheless, at the discretion to waive such rules in any particular case. Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.
78.	The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such aliquot part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special holders of the share and authenticated by such evidence (if any) as the provisions herein contained shall, so far as circumstances will

	admit, apply to stock as well as to shares and the words “share” and “shareholder” in these presents shall include “stock” and “stock-holder
<b>VIII.</b>	<b>REDUCTION OF CAPITAL</b>
79.	The Company may from time to time by Special Resolution, in such manner specified in the Act and subject to such consents as may be required under any other law for the time being in force, reduce in any manner: its share capital any capital redemption reserve account; or any securities premium account.
80.	Subject to the provisions of Section 55 of the said Act, whenever any preference shares are issued which are or at the option of the Company are to be liable to be redeemed, the following provisions shall take effect : No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption. No such shares shall be redeemed unless are fully paid. before the shares are redeemed. Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend be transferred to the Capital Redemption Reserve Account, a sum equal to the nominal amount of the share redeemed.
	Subject to the provisions of Section 55 of the Act and these Articles the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any such terms and conditions in such manner as the Directors may think fit. The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its authorised share capital. Where the Company has redeemed or is about to redeem any preference shares, it shall never have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 385 of the said Act, be deemed to be increased by the issue of shares in pursuance of this Article. Provided that, where new shares are issued before the redemption of the old shares, the new shares shall not so far as related to stamp duty, be deemed to have been issued in pursuance of this Article unless the old shares are redeemed within one month after the issue of the new shares. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.
<b>IX.</b>	<b>MODIFICATION OF RIGHTS</b>
81.	Whenever the share capital by reason of issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be varied, commuted, affected, abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is ratified in writing by holders of at least three-fourths of nominal value of the issued shares of the class or is sanctioned by Special Resolution passed at a separate meeting of the holders of the shares of that class and supported by the votes of the holders of not less than three-fourths of the shares of that class. This Article is not to derogate from any power the Company would have if this Article were omitted and in particular the powers under Chapter XV of the said Act or Chapter V of the Companies Act, 1956, whichever is in force for the time being. The dissentient members shall have the right to apply to Tribunal in accordance with the provisions of Section 48 of the Act.
<b>X.</b>	<b>JOINT HOLDERS</b>
82	Where two or more persons are registered as the holders of any Securities they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles. The Company shall be entitled to decline to register more than three persons as the joint holders of any Securities. The joint holders of any Security shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such Securities. On the death of any one or more of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence

	of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
	Any one of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such Security.
	Only the person whose name stands first in the Register of Members (or the relevant register maintained for that Security) as one of the joint holders of any shares shall be entitled to delivery of the certificate relating to such or to receive notices (which expression shall be deemed to include all Documents) from the Company and any notice given to such person shall be deemed notice to all the joint holders.
	Any one of two or more joint holders may vote at any meeting (including voting by postal ballot and by electronic voting) either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such Security shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorised under a power of attorney or by proxy although the name of such persons present by an agent or proxy stands first in the Register in respect of such shares. Several executors of a deceased member in whose (deceased member's) sole name any Security stands shall for the purpose of this sub-clause be deemed joint holders.
<b>XI.</b>	<b>GENERAL MEETING</b>
83.	The Company shall, in addition to any other meetings which are hereinafter referred to as "Extraordinary General Meeting", hold a General Meeting which shall be styled its Annual General Meeting at the intervals and in accordance with the provisions of the Act.
84.	The Directors may call Extraordinary General Meetings of the Company whenever they think fit and such meetings shall be held at such place and time as the Directors think fit.
85.	If the default is made in holding an Annual General Meeting in accordance with Section 96 of the Act, the Tribunal may, notwithstanding anything in the Act, (or in the Articles of the Company) on the application of any member of the Company, call or direct the calling of a General Meeting of the Company, and give such ancillary or consequential directions as the Central Government thinks expedient in relation to the calling, holding and conducting of the meeting. Explanation: -The directions that may be given, may include a direction that one member of the Company so present in person or by proxy shall be deemed to constitute a meeting.
	A General Meeting held in pursuance of sub-clause (i) shall subject to any directions of the Tribunal be deemed to be an Annual General Meeting of the Company.
86.	The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in sub-clause (4) forthwith proceed duly to call an Extraordinary General Meeting of the Company.
	The requisition shall set-out the matters for the consideration of which the meeting is to be called shall be signed by the requisitionists and shall be sent to the Registered Office of the Company.
	The requisition may consist of several documents in like form each signed by one or more requisitionists.
	The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold both on the date of such requisition and on the date of receipt of the requisition not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter.
	Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (4) shall apply separately in regard to each such matters and the requisition shall accordingly be valid only in respect of these matters in respect to which the conditions specified in that sub-clause is fulfilled
	If the Board does not, within twenty one days from the date of the receipt of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of receipt of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.
	Explanation:-For the purposes of this sub-clause, the Board shall in the case of a meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114.
	A meeting called under sub-clause (6) by the requisitionists or any of them

	shall be called in the same manner as nearly as possible as that in which meetings are to be called by the Board; but
	shall not be held after the expiration of three months from the date of the deposit of the requisition.
	shall convene meeting at Registered office or in the same city or town where Registered office is situated and such meeting should be convened on working day.
	Where two or more persons hold any shares or interest in a Company jointly, a requisition or a notice calling a meeting signed by one or only some of them shall for the purposes of this Section have the same force and effect as if it has been signed by all of them
	Any reasonable expenses incurred by the requisitionists by reasons of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
87.	A General Meeting of the Company may be called by giving at least clear twenty one day's notice in writing or through electronic mode but a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting.
	Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at meeting and not on others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.
	Notice of every general meeting of the Company shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted thereat.
	Such notice shall be given
	to every member of the Company, legal representative of any deceased Member or the assignee of an insolvent Member;
	to the auditor or auditors of the Company; and
	to every Director of the Company.
	to every trustee for the debenture holder of any debentures issued by the Company.
	The accidental omission to give notice to or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
	In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or where that is allowed one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.
	Where any items of business to be transacted at the meeting are deemed to be special as provided in Article 88 there shall be annexed to the notice of the meeting a statement setting out all materials facts concerning each such item of business namely:
	The nature of concern or interest, financial or otherwise, if any of the following persons, in respect of each item of:
	every Director and the Manager; if any;
	every other Key Managerial Personnel; and
	relatives of the persons mentioned in sub-clause (i) and (ii);
	Any other information and facts that may enable members to understand the meaning, scope and implementation of the items of business and to take decision thereon.
	Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.
88.	In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to (i) the consideration of the Financial Statements, (including the consolidated financial statements, if applicable), and the Reports of the Board of Directors and Auditors, (ii) the declaration of a dividend, (iii) the appointment of Directors in the place of those retiring and (iv) the appointment of and the fixing of the remuneration of the Auditors. In the case of any other meeting all business shall be deemed special.
89.	Upon a requisition of members complying with Section 111 of the said Act, the Directors shall comply with the obligations of the Company under the said Act relating to circulation of members' resolutions and statements.

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90. A certificate in writing, signed by the Secretary or by a Director or some officer or agent appointed by the Board for the purpose, to the effect that according to the best of its belief the notices convening the meeting have been duly given shall be prima facie evidence thereof.

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91. The Board, and the persons authorised by it, shall have the right to take and/or make suitable arrangements for ensuring the safety of any meeting – whether a general meeting or a meeting of any class of Security, or of the persons attending the same, and for the orderly conduct of such meeting, and notwithstanding anything contained in this Articles, any action, taken pursuant to this Article in good faith shall be final and the right to attend and participate in such meeting shall be subject to the decision taken pursuant to this Article.

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## **XII. PROCEEDINGS AT GENERAL MEETINGS AND ADJOURNMENT THEREOF**

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92. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been specified in the notice convening the meeting except as provided in the said Act.

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93. No business shall be transacted at any General Meeting, unless the requisite quorum is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be the presence in person of such number of members as specified in Section 103 of the Act. Subject to Article 82(7) when more than one of the joint-holders of a share is present only one of them shall be counted for ascertaining the quorum. Several executors or administrators of a deceased person in whose sole name shares stand shall for the purpose of this clause be deemed joint holders thereof.

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94. If, within half an hour from the time appointed for holding the meeting, a quorum of members is not present, the meeting if convened by or upon such requisition of members as aforesaid shall be dissolved, but in any other case it shall stand adjourned pursuant to the provisions of sub-section (2) of section 103 of the Act.

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95. If at such adjourned meeting a quorum of members is not present within half an hour from the time appointed for holding the meeting, the members present, whatever their number, shall be a quorum and may transact the business and decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place, if a quorum had been present thereat.

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96. The Chairman of the Board (whether Member or not) shall if present and willing, be entitled to take the chair at every General Meeting, whether Annual or Extraordinary, but if there be no such Chairman or in case of his being present or being unwilling or failing to take the chair within fifteen minutes of the time appointed for holding such meeting, the members present shall choose another Director (whether Member or not) as Chairman and if all the Directors present decline to take the chair or if there be no Director present, then the members present shall choose one of their own members to be Chairman of the meeting. If a poll is demanded it shall be taken forthwith in accordance with the provisions of sub-section (2) of section 104. The Chairman elected on a show of hands shall exercise all the powers of the Chairman for the purpose of such poll. If some other person is elected Chairman as a result of such poll, he shall be the Chairman for the rest of the meeting. The Chairman be permitted to hold the position of both the Chairman of the Board and/or General Meeting as well as Managing Director/CEO/equivalent position thereof in the Company as per the recommendations of the appropriate committee of the Directors and approved by the Board of Directors and as permitted by applicable laws from time to time

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97. No business shall be transacted at any General Meeting, except the election of Chairman, whilst the chair is vacant.

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98. The Chairman may, with the consent of a majority of the members personally present at any meeting, adjourn such meeting from time to time and from place to place in the city, town or village where the Registered Office of the Company be situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the Company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

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99. Whenever any meeting is adjourned for thirty days or more notice of such adjourned meeting shall be given as in the case of an original meeting.

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100. At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, or if the voting is carried out electronically be decided on a show of hands. Such voting in a general meeting or by postal ballot shall also include electronic voting in a General Meeting or Postal Ballot as permitted by applicable laws from time to time.

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A declaration by the Chairman in pursuance of clause (1) hereof that on a show of hands a resolution has or has not been carried or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive

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	evidence of the fact, without proof of the number of proportion of the votes cast in favour of or against such resolution.
101.	In case of an equality of votes the Chairman of any meeting shall both on the show of hands and at a poll (if any) held pursuant to a demand made at such meeting, have a second or casting vote.
102.	The Company shall cause minutes of all proceedings of General Meetings of any class of shareholders or creditors, and every resolution passed by postal ballot and of all proceedings at meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose
	The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
	All appointments of officers made at any time of the meetings aforesaid shall be included in the minutes of the meeting.
	In case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain :
	(i) the names of the Directors present at the meeting; and the names of the Directors who are present through video or other audio-visual means.
	(ii) in the case of each resolution passed at the meeting, the name of the Directors, if any, dissenting from or not concurring on the resolution.
	There shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting :
	(i) is or could reasonably be regarded as defamatory of any person;
	(ii) is irrelevant to the interests of the Company; or
	(iii) is detrimental to the interests of the Company.
	Explanation: -The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article.
	Any such minute, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.
	Where the minutes have been kept in accordance with clause (1) hereof; then until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and the resolution passed by circulation, postal ballot or other permitted means shall be construed to have been duly passed, and in particular all appointments of Directors, Key Managerial Personnel, Auditors or Company Secretary in practice, made at the meeting shall be deemed to be valid, including the matters that are required to be transacted at a meeting of the Board as specified in Section 179 of the said Act.
103.	The books containing the minutes of the proceedings of General Meetings of the Company shall
	be kept at the registered office of the Company; and
	be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may impose so however that not less than two hours in each day are allowed for inspection
	Any member shall be entitled to be furnished within seven working days after he has made request in that behalf to the Company with a copy of any Minutes referred to in sub-clause (1) on payment of Rs.10/-for every page or part thereof required to be photocopied and that the Company shall comply with provisions of Section 119 of the Act.
104.	The provisions contained in Article 103 shall mutatis mutandis apply to other registers maintained under the provisions of the said Act that can be inspected by an eligible person.
105.	No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
<b>XIII. VOTING RIGHTS AND PROXY</b>	
106.	No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll (including voting by electronic means) in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right of lien.
107.	A member is not prohibited from exercising his voting right on the ground that he has held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not
	No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll (including voting by electronic means) in respect of any shares registered in his name on which

	any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right of lien being a ground set out in Article 106
108.	A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or at a poll by his committee or other legal guardian and not otherwise, and any such committee or guardian may, on a poll, vote by proxy.
109.	Notwithstanding anything contained in this Articles, where the title to any Securities is under dispute before any court, where no injunction subsists (or direction made) as to the exercise of voting rights or other rights of a member including the rights attached to such Securities, the Board shall be entitled to suspend any such right aforesaid.
110.	A Member being a Body Corporate (whether a company within the meaning of the said Act or not) may by resolution of its Board of Directors or other governing body authorise such persons as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate which he represents as that body could exercise if it were a member, creditor or holder of debentures of the Company.
111.	Subject and without prejudice to any special privileges or restrictions or conditions for the time being attached to or affecting the preference or other special classes of shares, if any, issued by and for the time being forming part of the capital of the Company every member, entitled to vote under the provisions of these presents and not disqualified by the provisions of Articles 106, 108 and 109 or by any other Article shall on a show of hands have one vote and upon a poll every member, present in person or proxy or agent duly authorised by a power-of-attorney or representative duly authorised and not disqualified as aforesaid, shall have voting rights in proportion to his share of the paid-up equity capital of the Company subject however to any limits imposed by law. But no member shall have voting right in respect of any moneys paid in advance as provided by Article 40(b).
	No member not personally present shall be entitled to vote on a show of hands unless such member is a Body Corporate present by proxy or by a representative duly authorised under Section 113 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.
	A Member may exercise his vote, in respect of items of business to be transacted for which notice is issued, by electronic means in accordance with Section 108, and shall vote only once.
112.	On a poll taken at a meeting of the Company a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. A member or his proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the contrary at the time he casts any votes.
113.	Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. A person shall (a) not act as proxy for more than 50 Members and holding in aggregate not more than 10% of the total share capital of the Company; (b) not act as proxy for more than one Member, if that Member holds more than 10% of the total share capital of the Company
114.	The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a Body Corporate such instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it, or by the persons authorised to act as the representative of such company under Article 110. Any instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or join in the demand for a poll on behalf of the appointer, where a poll has not been ordered to be carried out electronically.
115.	No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy, unless such instrument of proxy and power-of-attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the persons named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Notwithstanding that a power-of-attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or to attorney

	at least seven days before the date of a meeting require him to produce the original power-of-attorney or authority and unless the same is thereupon deposited with the Company the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit
116.	If any such instrument of appointment be confined to the objects of appointing an attorney or proxy or substitute, it shall remain, permanent or for such time as the Directors may determine in the custody of the Company and if embracing other objects, a copy thereof, examined with the original shall be delivered to the Company to remain in the custody of Company.
117.	The instrument appointing a proxy whether for a specified meeting or otherwise shall be in Form MGT-11
118.	A vote given in pursuance of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of the proxy or any power-of-attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the vote is given.
	In case of e-voting, a Member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the login credentials of that Member
119.	No objection shall be made to the validity of any vote except at the meeting or adjourned meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.
120.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The Chairman shall be assisted by a scrutinizer, appointed by the Board for this purpose.
<b>XIV. CAPITALISATION OF PROFITS AND DIVIDENDS</b>	
121.	The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits, and may fix the time for the payment thereof.
122.	Any share holder whose name is entered in the Register of Members of the Company shall enjoy the rights and be subject to the same liabilities as all other shareholders of the same class.
123.	No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.
124.	Unless the Company otherwise resolves, dividends shall be paid in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some share than on others. Provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall unless otherwise resolved be only entitled the holder of such share to a proportionate amount of such dividend from the date of payment.
125.	Capital paid-up in advance of calls shall not confer a right to dividend or to participate in profits.
126.	No dividends shall be payable except out of profits of the Company of the year or any other undistributed profits and no dividend shall carry interest against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
127.	The Directors may, from time to time, declare and pay to the members such interim dividend as in their judgment the position of the Company justifies.
128.	No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person or persons, in respect of such share or shares, or on any other account whatsoever, remains unpaid, and the Directors may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid.
129.	The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member, or which any person under the same clause is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same
130.	A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
	No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his bankers or any other person as permitted by applicable law.
131.	All dividends shall be paid by the cheque, or warrant in respect thereof shall be posted within thirty days of the date on which such dividend is declared by the Company. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any

	cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.
132.	Notice of the declaration of any dividend whether interim or otherwise, shall be given to the members in the manner hereinafter provided for giving of notice to member.
133.	The Directors may, if they think fit, call upon the members, when applying for dividends, to produce their share certificates to such person or persons appointed by them in that behalf.
134.	Any one of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.
135.	No dividend shall be payable except in cash. Provided that nothing herein shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company. Provided further that any dividend payable in cash may be paid in cheque or warrant or in any electronic mode to the Member entitled to the payment of the dividend.
136.	Any General Meeting declaring a dividend may make a Call on the Members of such amount as the meeting fixes and so that the Call be made payable at the same time as the dividend, and the dividend may, if so resolved by the Company in General Meeting be set off against the Calls.
137.	A General Meeting of the Members, In a meeting in person or proxy or, through Postal Ballot or, by any other means, as may be permitted may on the recommendation of the Board, direct capitalisation of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or other funds of the Company including the moneys in the Securities Premium Account and the Capital Redemption Reserve Account or the premiums received on the issue of any shares, debentures or debenture-stock of the Company and that such sum be accordingly set free for the purpose, (1) by the issue and distribution, among the holders of the shares of the Company or any of them, in accordance with their respective rights and interests and in proportion to the amounts paid or credited as paid up thereon, of paid-up shares, debentures, debenture-stock bonds or other obligations of the Company, or (2) by crediting any shares of the Company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid up thereon respectively, with the whole or any part of the same.
	For the purposes above set out the Company may, subject to the provisions contained in section 63, apply: (i) its free reserves, (ii) the Securities Premium Account subject to the provisions of Section 52(2) of the said Act; (iii) the Capital Redemption Reserve Fund subject to the provisions of Section 55(4) of the said Act; and (iv) such other reserves or account as may be applied for issue of bonus shares.
138.	The Board shall have the right to fix a date for the purpose of determining the Members who are entitled to the payment of the dividend, or shares pursuant to the capitalisation of reserves, and for any other action of the Company that requires determination of the details of Members.
<b>XV.</b>	<b>ACCOUNTS</b>
139.	The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper books of accounts in respect of:
	all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;
	all sales and purchase of goods by the Company; and
	the assets and liabilities of the Company.
	The items of cost, if any-as specified in the relevant Rules.
	Proper books of account shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in clause (1) hereof.
	The books of account referred to in clause (1) and (2) shall be such books as are necessary to give a true and fair view of the state of affairs of the Company or such branch office and to explain its transaction.
	The books of accounts and other Books and Papers shall be open to inspection by any Directors during business hours.
	The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, to 138 of the said Act and any statutory modifications thereof.
140.	The Directors shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be

	open to the inspection of the members not being Directors; and no member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorised by the Directors.
141.	Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each financial year.
142.	The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account. Financial Statements shall comply with the provisions of Section 129 and 133 of the said Act.
143.	The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
144.	The Directors shall make out and attach to every Balance Sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.
145.	A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every director of the Company. If the copies of the documents aforesaid are sent less than twenty one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninety five percent of the members entitled to vote at the meeting. The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting
	Any member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.
146.	A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statements under this Act, duly adopted at the annual general meeting of the company, shall be filed with the registrar within thirty days of the annual general meeting.
	If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents that are required to be attached to the financial statements shall be filed with the registrar within thirty days of the annual general meeting. Thereafter, the Financial Statements adopted at the adjourned annual general meeting shall be filed with the Registrar within thirty days of such adjourned annual general meeting.
147.	Every account when audited and approved by a General Meeting shall be conclusive.
<b>XVI.</b>	<b>BOARD OF DIRECTORS, THEIR QUALIFICATION AND REMUNERATION</b>
148.	The number of Directors shall not be less than four and not more than fifteen Directors. The Company shall have the power to increase the number of Directors beyond 15 after passing a Special Resolution.
149.	If and when the Company shall issue debentures the holders of such debentures, or if and when the Company shall create a mortgage of any property, the mortgagee or mortgagees to whom such property shall be mortgaged, may have the right to appoint and nominate and from time to time remove and re-appoint a Director or Directors, in accordance with the provisions of the Trust Deed securing the said debentures, or the deed creating such mortgages, as the case may be. A Director so appointed under this Article, is herein referred to as "The Debenture Director" and the term "Debenture Director" means a Director for the time being in office under the Article, and he shall have all the rights and privileges of an ordinary Director of the Company, except in so far as is otherwise provided for herein or by the Trust Deed securing the Debentures or the deed creating the mortgage, as the case may be.
150.	Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred to as "Nominee Director" and the term "Nominee Director" means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the

	Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
151.	No Director of the Company be required to hold any qualification shares
152.	The Directors shall arrange to maintain at the Registered office of the Company a Register of Directors, Key Managerial Personnel, containing the particulars and in the form prescribed by Section 170 of the Act. It shall be the duty of every Director and other persons regarding whom particulars have to be maintained in such Registers to disclose to the Company any matters relating to himself as may be necessary to comply with the provisions of the said sections.
153.	A Director may receive remuneration by way of fee not exceeding such amount as may be permissible under the Rules for attending each meetings of the Board or Committee thereof; or of any other purpose whatsoever as may be decided by the Board.
154.	Subject to the provisions of Section 197 of the said Act: Any one or more of the Directors shall be paid such additional remuneration as may be fixed by the Directors for services rendered by him or them and any one or more of the Directors shall be paid further remuneration if any as the Company in General Meeting or the Board of Directors shall from time to time determine. Such remuneration and/or additional remuneration may be paid by way of salary or commission on net profits or turnover or by participation in profits or by way of perquisites or in any other manner or by any or all of those modes. If any director, being willing shall be called upon to perform extra services, or to make any special exertion for any of the purposes of the Company, the Company in General Meeting or the Board of Directors shall, subject as aforesaid, remunerate such Director or where there is more than one such Director all or such of them together either by a fixed sum or by a percentage of profits or in any other manner as may be determined by the Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.
155.	The Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these articles not exceeding such amount as is permissible under the Rules, per meeting attended by him.
156.	The Board of Directors may allow and pay to any Director fair compensation for his travelling and other expenses incurred in connection with the business of the Company including attendance at meeting of the Board or Committee thereof.
<b>XVII. APPOINTMENT AND ROTATION OF DIRECTORS</b>	
157.	A person shall not be capable of being appointed Director of the Company, if : he has been found to be unsound mind by court of competent jurisdiction. he is an undischarged insolvent; he has applied to be adjudicated as an insolvent and his application is pending; he has been convicted by a Court in India of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than 6 months, and a period of five years has not elapsed from the date of expiry of the sentence; he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others and six months have elapsed from the last day fixed for the payment for the call; or an order disqualifying him for appointment as Director has been passed by a Court or Tribunal and the order is in force, he has been convicted of the offence dealing with related party transactions under Section 188; or. he has not complied with sub-section 3 of section 152.
158.	The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors Not less than two-thirds of the total number of Directors of the Company shall: be persons whose period of office is liable to determination by retirement of Directors by rotation; and save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting. Explanation:-for the purposes of this Article “total number of Directors” shall not include Independent Directors appointed on the Board of the Company.

	The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.
159.	Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.
	The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. A retiring Director shall be eligible for re-election.
	At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto
	If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a holiday, at the same time and place.
	If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :
	(i) at the meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
	(ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
	(iii) he is not qualified or is disqualified for appointment;
	(iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the said Act; or
	(v) Section 162 is applicable to the case.
160.	The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be reappointed a Director by the Board of Directors.
161.	A person who is not a retiring Director shall subject to the provisions of the said Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the office of Directors or as the case may be, the intention of such Member to propose him as a candidate for the office, along with deposit of one lakh rupees or such other amount as may be specified in the relevant Rules. The amount so deposited shall be refunded to such person or, as the case may be, to the Member, if the person proposed gets elected as a Director or gets more than 25% of total valid votes.
162.	A person appointed as a Director shall not act as a Director unless he gives his consent to hold the office as director and such consent has been filed with the Registrar within thirty days of his appointment in such manner as prescribed in the relevant Rules.
163.	At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that is shall be so made has first been agreed to by the meeting without any vote being given against it.
	A resolution moved in contravention of clause (1) shall be void, whether or not objection was taken at the time to its being so moved;
	For the purpose of this Article a motion for approving a person's appointment or for nominating a person for appointing shall be treated as a motion for his appointment.
164.	The Directors shall have power at any time and from time to time, to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time. Each such Additional Director shall hold office only up to the date of the next following Annual General Meeting, or the last date on which the annual general meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company at that meeting as a Director.
164.	If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board.

	Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it has not been vacated as aforesaid.
166.	The Board of Directors may appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an Alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India.
	No person shall be appointed as an alternate director for an Independent Director unless he is qualified to be appointed as an Independent Director.
	An Alternate Director shall be entitled to notice of meetings of the Directors, and to attend and vote thereat accordingly.
	An Alternate Director shall vacate office if and when the Original Director returns to India.
	If the term of office of the Original Director is determined before he so returns to India as aforesaid any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
	An Alternate Director may be removed by the Board of Directors which may appoint another Alternate Director in his place.
167.	The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below three, the continuing Directors may act for the purpose of increasing the number of Directors to the said number, or of summoning a General Meeting of the Company, but for no other purpose.
<b>XVIII. RESIGNATION OF OFFICE BY DIRECTORS</b>	
168.	Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated.
<b>XIX. PROCEEDINGS OF BOARD OF DIRECTORS</b>	
169.	A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit, and may determine the quorum necessary for the transaction of business
170.	The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.
171.	Subject to provisions of Section 173 (3) of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director.
172.	The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other permitted means shall also counted for the purposes of this Article Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time. Explanation: The expressions “interested Director” shall have the meanings given in Section 184(2) of the said Act and the expression “total strength” shall have the meaning as given in Section 174 of the Act.
173.	If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a National Holiday at the same time and place.



	The provisions of Article 169 shall not be deemed to have been contravened merely by reason of the fact that a meeting of the Board which has been called in compliance with the terms of that Article could not be held for want of a quorum.
174.	A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions by law or under the Articles and regulations for the time being vested in or exercisable by the Directors generally
175.	The Chairman may, and manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
176.	Questions arising at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes, the Chairman thereat shall have a second or casting vote.
177.	The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office, and unless otherwise determined the Chairman shall be elected annually. If no Chairman is elected, or if at any meeting the Chairman is not present within five minutes of the time appointed for holding the same, or is unwilling to preside, the Directors present may choose one of their members to be the Chairman of such meeting.
178.	Subject to the provisions of Section 179 of the said Act, the Directors may delegate any of their powers, other than powers which by reason of the provisions of the said Act cannot be delegated to committees consisting of such member or members of their body as they may think fit, and they may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes. Every Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors, and all acts done by any such Committee in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.
179.	The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto, and are not superseded by the express terms of the appointment of any such Committee, or by any regulations made by the Directors.
180.	A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution.
181.	All acts done by a person as a Director shall be valid, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the said Act or in these Articles. Provided that this Article shall not give validity to acts done by a Director after his appointment has been shown to the company to be invalid or to have terminated.
182.	The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with these presents and section 118 of the Act.
183.	The Directors shall cause to be kept at the Registered Office (a) a Register mentioned in Article 152 and (b) a Register of Contracts or arrangements of which they are interested, containing the particulars required by Section 189 of the Act.
	The provisions contained in Article 103 (1)(b) and 103(2) relating to inspection and taking copies shall be mutatis mutandis be applicable to the registers specified in this Article.
<b>XX.</b>	<b>APPOINTMENT OF KEY MANAGERIAL PERSONNEL</b>
184.	Subject to the provisions of the Act, (i) A Key Managerial Personnel may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and the Key Managerial Personnel so appointed may be removed by means of a resolution in the Board Meeting. (ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer
<b>XXI.</b>	<b>BORROWING POWERS OF DIRECTORS</b>
185.	Subject to clause (2) hereof the Directors may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys maybe secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory notes, or by opening current

	accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures of debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient.
	The Board of Directors shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.
	No debt by the Company in excess of limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that Article has been exceeded.
	Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
	Any such debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
	If any other offer is made to the public to subscribe for or purchase debentures the provisions of the said Act relating to a prospectus shall be complied with.
	Any such debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and on condition (with the consent of the Company in General Meeting) and they may have a right to allotment of or be convertible into shares of any denominations, and with any special privileges and conditions as to redemption (or being irredeemable), surrender, drawings, re-issue, attending at General Meeting of the Company, appointment of Directors, and otherwise, provided that no debentures, debenture-stock, bonds or other securities may be issued carrying voting rights.
	The Company shall have power to re-issue redeemed debentures.
	A contract with the Company to take up and pay for any debentures of the Company may be enforced by a Deed for specific performance.
	The Company, shall within two months after the allotment of any of its shares, and six months after the allotment of any debentures or debenture-stock, and within one month after the application for the registration of the transfer of any shares, debentures or debenture-stock have completed and have ready for delivery the certificates of all shares, the debentures and the certification of all debenture-stock allotted or transferred, unless the conditions of issue of the shares, debentures of debenture-stock otherwise provide The expression "transfer" of the purpose of the sub clause means a transfer duly stamped, dated and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register
	A copy of any trust deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of rupees fifty;
	The Court may also, by order, direct that the copy required shall forthwith be sent to the person requiring it.
	The Trust Deed referred to in sub-clause (i) shall be open inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the register of members of the Company.
186.	If any uncalled capital of the Company is included in or charged by any mortgagor other security, the Directors may, by instrument under the Company's seal, authorise the person in whose favour such mortgage or other security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently, and either to the exclusion of the Directors power or otherwise, and shall be assignable if expressed so to be.
187.	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability

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188. The Company may exercise the power to keep foreign register of members or debenture holders or other security holders or beneficial owners residing outside India as provided in Section 88 of the Act.

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**XXII. POWER OF DIRECTORS**

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189. Subject to the provisions of Section 135, 179, 180, 181, 182, 183, 184, 185, 186, 188 and 203 of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, give all such consents, make all such arrangements, be nearly do all such acts and things as are or shall be by the said Act, and the memorandum of association and these precedents directed or authorized to be exercised, given, make or done by the Company and are not thereby expressly directed or required to be exercise, given, made or done by the Company in General Meeting, but subject to such regulations being (if any) not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulations had not been made.

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Save as provided by the said Act or by these presents and subject to the restrictions imposed by Section 179 of the said Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them

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190. Subject to the provisions of Articles 189 but without prejudice to the General Powers thereby conferred and so as not in any way to conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers and authorities, that is to say power and authority :

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to enter into agreements with foreign components and other persons for obtaining by granting licence or other terms, formulae and other rights and benefits and to obtain financial and or technical collaboration, technical information, knowhow and expert advice in connection with the activities and business permitted under the Memorandum of Association of the Company.

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to take over and acquire the industrial licence, import licence, permit and other rights on payment of actual and out of pocket expenses incurred thereof, and compensation for technical services rendered in connection therewith :

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to pay and charge to the Capital / Revenue Account of the Company the legal and other costs, charges and expenses of and preliminary and incidental to the promotion, formation, establishment and registration of the Company including the stamps and fees paid in respect thereof :

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to pay and charge to the Capital / Revenue Account of the Company any commission or interest lawfully payable under the provisions of the said Act :

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To carry out activities that are specified in Schedule VII of the Act, and for this purpose expend / incur the monies of the Company, and all monies so expended or incurred for this purpose shall also be construed to be for the purpose of the Company's business.

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to purchase in India or elsewhere any machinery plant, stores and other articles and things for all or any of the objects or purpose of the Company;

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to purchase, take on lease or otherwise acquire in India any lands (whether freehold, leasehold or otherwise) and with or without houses, buildings, structures or machinery (fixed or loose) and any moveable property, rights or privileges (including intellectual property rights) from any person including a Director in furtherance of or for carrying out its objects, at or for such price or consideration and generally on such terms and conditions and with such titled thereto as they may think fit or may believe or be advised to be reasonable satisfactory.

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to purchase, or otherwise acquire from any person and to resell, exchange, and repurchase any patent for or licence for the use of any invention.

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to purchase or otherwise acquire for the Company any other property, formule, concessions, rights and privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit.

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in any such purchase or other acquisition to accept such titled as the Directors may believe or may be advised to be reasonably satisfactory. At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partly in cash or in shares, or in both, or in bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any bonds, debentures, mortgages or other securities, may be either specifically charged upon all or any part of the property of the Company, and its uncalled capital or not so charged

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to sell for cash or on credit or to contract for the sale and future delivery of or to and for sale in any part of India or elsewhere any products or Articles produced, manufactured or prepared by the Company as the Directors may deem advisable.
to erect, construct, and build and factories, warehouses, godowns, engine houses, tanks, wells, or other constructions, adopted to the objects of the Company or may be considered expedient or desirable for the objects or purposes of the Company or any of them;
to sell from time to time any articles, materials, machinery, plant, stores and other articles and things belonging to the Company as the Directors may think proper and to manufacturer, prepare and sell waste and by-products;
from time to time to extend the business and undertaking of the company by adding to, altering, or enlarging all or any of the building, factories, workshops, premises, plant and machinery, for the time being the property or in the possession of the Company, or by erecting new or additional buildings, and to expend such sums of money for the purposes aforesaid or any of them, as may be thought necessary or expedient;
to remove all or any of the machinery, plant and other movable property of the Company for the time being in or upon lands, buildings, or premises of the Company to other lands, buildings, or premises;
to negotiate for, and subject to the approval of the Company in General Meeting, contract for the sale and transfer of all or any part of the property and undertaking of the Company as a going concern, subject or not subject to all or any of the obligations and liabilities of the Company;
to undertake on behalf of the Company the payment of all rents the performance of all covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the freehold or fee-simple of all or any of the lands of the Company for the time being held under lease, or for an estate less than a free hold estate;
to improve, manage, develop, exchange, lease, sell, re-sell and re-purchase, dispose of, deal with or otherwise turn to account and property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested;
to secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such manner as they may think fit.
to accept from any member, on such terms and conditions as shall be agreed upon and as far as may be permissible by law, a surrender of his shares or any part thereof;
to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsement, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes;
to make advances and loans without any security, or on such security as they may think proper and to take security for already existing debts, and otherwise to invest and deal with any of the moneys of the Company not immediately required for the purpose thereof in Government or Municipal securities, fixed deposits in banks and in such other manner as they may think fit and from time to time vary or realise such investments, and for the purpose aforesaid to authorise such persons within limits to be fixed from time to time by the Board.
to make and give receipts, releases and other discharges for moneys payable to, or for goods or property belonging to the Company, and for the claims and demands of the Company;
subject to the provisions of Section 179, 180 and 186 of the said Act, to invest and deal with any moneys of the Company not immediately required of the purposes thereof, upon such security (not being shares of the Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, Save as provided in Section 187 of the said Act all investments shall be made and held in the Company's own name;
to give to any officer or other person employed by the Company including any Directors so employed, a commission on the profits of any particular business or transaction, or a share in general or particular profits of the Company, and such commission or share of profits shall be treated as part of the working expenses of the Company and to pay commissions and make allowances to any person introducing business to the Company or otherwise assisting its interests;
subject to the provisions of Section 187 of the said Act to appoint any person or persons (whether incorporated or not) to accept and hold in trusts for the Company any property belonging to the Company, or in which the Company is interested or for any other purposes and to execute and do all such acts, deeds

and things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
to insure and keep insured against loss or damage or fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
to execute, in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon;
to institute, conduct, defend, compound, abandon or refer to arbitration any action, suit, appeals, proceedings, for enforcing decrees and orders and other legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, to compound or compromise and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer the same or arbitration, to observe and perform any awards made there on; to act on behalf of the Company in all matters relating to bankrupts and insolvents;
The person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to use or defend on behalf of the Company, and all and every legal proceedings and compositions or compromise, agreements, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purposes aforesaid, the Secretary or such other person may be empowered to use their or his own name on behalf of the Company, and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they or he may incur or be liable to by reason of their or his name so used as aforesaid.
to provide for the welfare of the employees or ex-employees of the Company, and the wives, widows and families or the dependants or connects of such persons and to give, award or allow any pension, gratuity, compensation, grants of money, allowances, bonus, stock options (including other stock related compensation) or other payment to or for the benefit of such persons as may appear to the Directors just and proper, whether they have or have not a legal claim upon the Company, and before recommending any dividends to set aside portions of the profits of the Company to form a fund to provide for such payments and in particular to provide for the welfare of such persons, by building or contributing to the building of houses, dwelling or chawls, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions, or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility;
before recommending any dividend, to set aside, out of the profits of the Company such sums for depreciation as provided in Section 123 of the said Act and such sums as they think proper for creating reserves, general or specific or special funds to meet contingencies or to repay debentures or debenture-stock or to pay off preference of other shareholders subject to the sanction of the Court when the same is required by law on for payment of dividends or equalising dividend or for special dividends or bonus or for repairing, improving, extending and maintaining any part of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may in their absolute discretion think conducive to the interest of the Company and from time to time to carry forward such sums as may be deemed expedient and to invest and deal with the several sums to set aside or any part thereof as provided in Clause (18) of this Article as they think fit, and from time to time to deal with and vary such investment and dispose of and apply and expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof for the benefit of the Company in such manner and for such purpose as the Directors

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in their absolute discretion think conducive to the interest of the Company notwithstanding that the matter to which the Directors apply or upon which they expend the same or any part thereof may be matters to and upon which the capital money of the Company might rightly be applied or expended and the Directors may divide the Reserve or any Fund into such special funds and transfer any sum from one fund to another as they may think fit and may employ the assets constituting all or any of the above funds including the Depreciation Fund or any part thereof in the business of the Company or in the purchase or repayment of debentures or debenture-stock or preference shares or in payment of special dividend or bonus and that without being bound to keep the same separate from the other assets, and without being bound to pay interest for the same with power however to the Directors at their discretion to pay or allow to the credit of such funds or any of them the interest at such rate as the Directors may think proper not exceeding 9 per cent per annum.

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from time to time and at any time to entrust to and confer upon the officers for the time being of the Company, and to authorise, or empower them to exercise and perform and by Power-of-Attorney under seal to appoint any person to be the Attorney of the Company and invest them with such of their powers, authorities, duties and discretion exercisable by or conferred or imposed upon the Directors, but not the power to make Calls or other power which by law are expressly stated to be incapable of delegation as the Directors may think fit, and for such time and to be exercise for such objects and purposes and subject to such restrictions and conditions, as the Directors may think proper or expedient, and either collaterally with or to the exclusion of and in substitution for all or any of the powers, authorities, duties and discretions of the Directors in that behalf, with authority to the Secretary or such officers or attorney to sub-delegate all or any of the powers, authorities, duties, and discretions for the time being vested in or conferred upon them and from time to time to revoke all such appointments of attorney and withdraw, alter or vary all or any of such powers, authorities, duties and discretions;

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to appoint, and at their pleasure to remove, discharge, or suspend and to re-employ or replace, for the management, of the business, secretaries, managers, experts, engineers, accountants, agents, subagents, bankers, brokers, muddams, solicitors, officers, clerks, servants and other employees for permanent, temporary or special services as the Directors may from time to time think fit, and to determine their powers and duties and fix their emoluments, salaries, wages, and to require security in such instances and to such amount as they think fit, and to ensure and arrange for guarantee for fidelity of any employees of the Company and to pay such premiums on any policy of guarantee as may from time to time become payable;

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from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Boards and to fix their remuneration. And from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than their power to make a Call and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegate may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him.

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at any time and from time to time by power-of-attorney to appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may be made in favour of the members or any of the members of any Local Board established as aforesaid or in favour of any Company or the members, Directors, nominees, or Managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors, and any such Power-of-attorney may contain such powers for the protection or convenience of persons dealing with such Attorney as the Directors may think fit.

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from time to time to provide for the management transaction of the affairs of the Company outside the Registered Office or in any specified locality in India or outside India, in such manner as they think fit and in particular to appoint any person to be the Attorneys or agents of the Company with such powers, authorities and discretions (including power to sub-delegate) but not exceeding those vested in or exercisable by the Directors, and also not the power to make calls or issue debentures and for such period, and upon such terms and subject to such conditions as the Directors may think fit, and at any time to remove any person so appointed or withdraw or vary any such powers as may be thought fit, and for that purpose the

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	Company may exercise the powers conferred by Section 88 of the Act relating to keep in any State or country outside India a foreign Register respectively and such powers shall accordingly be vested in the Directors.
	for or in relation to any of the matters aforesaid or otherwise for the purpose and objects of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute, perform and do and sanction, and authorise all such acts, deeds, matters and things, including matters that are incidental and/or ancillary thereto, in the same and on behalf of the Company as they may consider expedient;
	to open accounts with any bank or bankers or with any Company, firm or individual for the purpose of the Company's business and to pay money into and draw money from any such account from time to time as the Directors may think fit.
	generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any Key Managerial Personnel, firm, company or fluctuating body of persons as aforesaid.
	to authorise the issue of securities (including depository receipts), whether convertible to shares or not, as per applicable laws, either as a primary issue or a secondary offering.

### **XXIII. MANAGING DIRECTORS**

191.	Subject to the provisions of Section 196, 197, and 203 of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director, Joint Managing Director or Managing Directors, Whole-time Director, Manager or Chief Executive Officer of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding five years at a time and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places.
192.	A managing Director or Joint Managing Director subject to the provisions contained in Article 184 shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire but he shall, subject to the terms of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the Directors of the Company, and if he ceases to hold the office of Directors from any cause shall ipso facto and immediately cease to be Managing Director.
193.	The remuneration of a Managing Director and Joint Managing Director shall from time to time be fixed by the Directors and may be by way of salary or commission or participating in profits or by way or all of those modes or in other forms shall be subject to the limitations prescribed in Section 197 of the Act.
194.	The Directors may from time entrust to and upon a Managing Director or Joint Managing Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers, unless and until otherwise determined a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

### **XXIV. SECRETARY**

195.	The Directors may from time to time appoint and at their discretion remove, a person (hereinafter called "the Secretary") to keep the Registers required to be kept by the Company, to perform any other function which by the said Act or by these Articles are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors.
	The Directors may any time appoint a temporary substitute for the Secretary who shall for the purpose of these Articles be deemed to be the Secretary.

### **XXV. INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS**

196.	The Board shall be entitled to meet out of the funds of the Company to defend, every officer of the Company as defined by Section 2(59) of the said Act, or any person (whether an officer of the Company or not) employed by the Company, against all claims made on them (including losses, expenses, fines, penalties or such levies), in or about the discharge of their respective duties.
	Every Officer of the Company, as defined by Section 2(59) of the said Act, or any person (whether an Officer of the Company or not) employed by the Company, shall be entitled to direct the company to meet all claims, losses, expenses, fines, penalties or such other levies, expended by them, respectively in or about the

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discharge of their respective duties, out of the funds of the Company against all such liabilities, including attorney fees, incurred by them in defending any proceedings under the Act, or other laws applicable to the Company, and/or its subsidiaries in any jurisdiction.

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The Company may take and maintain any insurance as the Board may think fit on behalf of its directors (present and former), other employees and the Key Managerial Personnel, for insurers to directly meet all claims, losses, expenses, fines, penalties or such other levies, or for indemnifying any or all of them against any such liability for any acts in relation to the Company for which they may be liable.

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197. No Director of the Company, Manager, Secretary, Trustee, Auditor and other officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgaged to the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for any loss occasioned by any error of judgement, omission default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.
198. An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.
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#### **XXVI. SEAL**

199. The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereto and the Directors shall provide for the safe custody of the seal for the time being. The seal of the Company shall never be used except by the authority of a resolution of the Board of Directors and in presence of one of Directors or such other persons as the Board may authorise who will sign in token thereof and countersigned by such officers or persons at the Directors may from time to time resolve.
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Any instrument bearing the Common Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

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#### **XXVII. NOTICES AND SERVICE OF DOCUMENTS**

200. It shall be imperative on every member or notify to the Company for registration his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him. A member may notify his email address if any, to which the notices and other documents of the company shall be served on him by electronic mode. The Company's obligation shall be satisfied when it transmits the email and the company shall not be responsible for failure in transmission beyond its control.
201. Subject to Section 20 of the said Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address (within India) supplied by him to the company for the service of notices to him. The term courier means person or agency who or which delivers the document and provides proof of its delivery.
202. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by any and every notice and other document in respect of such share which previous to his name and address being entered upon the register shall have been duly given to the person from whom he derives his title to such share.
203. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given, if given by advertisement, once in English and once in a vernacular daily newspaper circulating in the city, town or village in which the registered office of the Company is situate.
204. Any notice or document served in the manner hereinbefore provided shall notwithstanding such member be then dead and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such member, until some other
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	person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares.
205	Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, photostat.
206	A document may be served on the Company or on an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post or by Registered Post or by leaving it at its Registered Office, or by means of such electronic mode or other mode as may be specified in the relevant Rules.
<b>XXVIII. SECRECY CLAUSE</b>	
207	No member shall be entitled to visit any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of a secret, mystery of trade or secret process, which may relate to the conduct of the business of that Company and which in the opinion of the Directors, it will be inexpedient in the interest of the members of the Company to communicate to the public
<b>XXIX. WINDING-UP</b>	
208	If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid-up on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid-up capital, such surplus assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.
209	If the Company shall be wound-up whether voluntarily or otherwise, the following provisions shall take effect: the Liquidator may, with the sanction of a Special Resolution, divide among the contributories in specie or kind any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories or any of them, as the Liquidator with the like sanction shall think fit. If thought fit any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on any contributory who would be prejudiced thereby shall have the right to dissent and shall have ancillary rights as if such determination were a Special Resolution passed pursuant to Section 319 of the said Act. In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares, may, within seven days after the passing of the Special Resolution by notice in writing, direct the Liquidator to sell his proportion and pay him the proceeds and the Liquidator shall, if practicable, act accordingly.
210	Any such Liquidator may, irrespective of the powers conferred upon him by the said Act and as an additional power conferring a general or special authority, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid-up or the obligations of or other interest in any other company and may by the contract of sale agree for the allotment to the members directly of the proceeds of sale in proportion to their respective interests in the Company and in case the shares of this Company shall be of different classes, may arrange for the allotment in respect of preference shares of the Company, to obligations of the purchasing company or of shares of the purchasing company with preference or priority over or with a larger amount paid-up than the shares allotted in respect of ordinary shares of this Company and may further by the contract, limit a time at the expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator
211	Upon any sale under the last preceding Article or under the powers given by Section 319 of the said Act, no member shall be entitled to require the Liquidator either to abstain from carrying into effect the sale or the

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resolution authorising the same or to purchase such member's interest in this Company, but in case any member shall be unwilling to accept the share, obligations or interests to which under such sale he would be entitled, he may, within seven days of the passing of the resolution authorising the sale, by notice in writing to the Liquidator, require him to sell such shares, obligations or interests and thereupon the same shall be sold in such manner as the Liquidator may think fit and the proceeds shall be paid over to the member requiring such sale.

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**XXX. GENERAL POWERS**

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212 Where any provisions of the said Act, provides that the Company shall do such act, deed, or thing, or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf.

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## **SECTION IX: OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following documents and subsisting contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

#### **1. Material Contracts for the Offer**

- (i) Offer Agreement dated September 30, 2019 between our Company, the Selling Shareholders and the BRLMs.
- (ii) Registrar Agreement dated September 30, 2019 between our Company, the Selling Shareholders and the Registrar to the Offer.
- (iii) Cash Escrow and Sponsor Bank Agreement dated [●] between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Escrow Collection Bank(s), Refund Banker, Sponsor Bank and Public Offer Bank(s).
- (iv) Share Escrow Agreement dated [●] between the Selling Shareholders, our Company and the Share Escrow Agent.
- (v) Syndicate Agreement dated [●] between our Company, the Selling Shareholders and the Syndicate Members.
- (vi) Underwriting Agreement dated [●] between our Company, the Selling Shareholders and the Underwriters.
- (vii) Monitoring Agency Agreement dated [●] between our Company and [●].

#### **2. Material Documents**

- i. Certified copies of the updated Memorandum of Association and Articles of Association as amended from time to time.
- ii. Certificate of incorporation dated May 14, 2004.
- iii. Fresh certificate of incorporation dated April 17, 2007, consequent upon conversion from private company to public company.
- iv. Fresh certificate of incorporation dated March 16, 2016 pursuant to change of name.
- v. Resolution of the Board of Directors dated September 12, 2019 in relation to the Offer.
- vi. Shareholders' resolution dated September 13, 2019 in relation to the Offer.
- vii. Resolution of the Board of Directors dated September 30, 2019 approving this Draft Red Herring Prospectus.
- viii. Consent letters, each dated September 30, 2019 from Sandipkumar Gupta and Rajdipkumar Gupta, the Selling Shareholders in relation to the Offer for Sale.
- ix. The examination reports dated September 30, 2019 of the Statutory Auditors, on our Company's Restated Financial Statements.

- x. Copies of the annual reports of our Company for Fiscal 2017, 2018 and 2019.
- xi. The Statement of Tax Benefits dated September 30, 2019 from the Statutory Auditor.
- xii. Consent of the Directors, the BRLMs, the Syndicate Members, Legal Counsel to our Company and the Selling Shareholders as to Indian Law, Legal Counsel to the BRLMs as to Indian Law, International Legal Counsel to the Offer, Registrar to the Offer, Escrow Collection Bank(s), Refund Banker, Public Offer Bank(s), Sponsor Bank, Bankers to our Company, Monitoring Agency, Statutory Auditors, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
- xiii. Consent letter dated September 30, 2019 of the Statutory Auditor to include their name as an expert in relation to their examination reports dated September 30, 2019 on the Restated Financial Statements and the Statement of Tax Benefits dated September 30, 2019 included in this Draft Red Herring Prospectus.
- xiv. Consent from Juniper Research Limited, dated September 17, 2019 in relation to the industry reports titled “*Mobile Messaging Markets – SMS, MMS, IM, Email, RCS/RCS-e, Social 2012 – 2017*” dated September, 2012, “*A2P Messaging: Opportunities, Competition & Forecasts 2017 – 2022*” dated November, 2017, “*The Internet of Things: Consumer, Industrial & Public Services 2016 – 2021*” dated December, 2016.
- xv. Consent from Roaming Consulting Company Limited, dated September 20, 2019 in relation to the industry report titled “A2P SMS Messaging Vendor Performance Report 2017” dated June 2017.
- xvi. Share Purchase Agreement dated September 21, 2017 by and amongst Tonio Ellul, Roneel Prasad, Christopher Bianco, Route Mobile (UK) Limited and 365squared Limited and Supplemental Agreement dated September 24, 2019.
- xvii. Share Purchase Agreement dated April 19, 2017, between our Company, Arabi Holding Group Company, Call 2 Connect India Private Limited, and Anil K Sinha with Vimal K Sekhani.
- xviii. Share Purchase Agreement dated April 19, 2017, between our Company, Vimal Kumar Sekhani and Call 2 Connect India Private Limited.
- xix. Share Purchase Agreement dated April 19, 2017, between our Company, Anil Kumar Sinha and Call 2 Connect India Private Limited.
- xx. Share Purchase Agreement dated September 9, 2016, executed between our Company and Start Corp India Private Limited along with Siddharth Goel, Aditya Goel, Narendra Goel, Savita Goel, Anirudh Goel and Varun Goel.
- xxi. Share Purchase Agreement dated September 9, 2016, and Supplemental Agreement dated March 3, 2017, executed between our Company and Cellent Technologies (India) Private Limited along with Siddharth Goel, Aditya Goel, Narendra Goel, Savita Goel, Anirudh Goel and Varun Goel.
- xxii. Due Diligence Certificate dated September 30, 2019 addressed to SEBI from the BRLMs.
- xxiii. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.
- xxiv. Tripartite agreement dated March 16, 2016 between our Company, NSDL and the Registrar to the Offer.
- xxv. Tripartite agreement dated February 6, 2016 between our Company, CDSL and the Registrar to the Offer.
- xxvi. SEBI observation letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY**

\_\_\_\_\_  
**(Chandrakant Gupta)**  
**(Chairman and Non-executive Director)**

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**(Rajdipkumar Gupta)**  
**(Managing Director)**

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**(Sandipkumar Gupta)**  
**(Non-executive Director)**

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**(Ramachandran Sivathanu)**  
**(Independent Director)**

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**(Ankit Paleja)**  
**(Independent Director)**

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**(Sudha Navandar)**  
**(Independent Director)**

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**(Suresh Jankar)**  
**(Chief Financial Officer)**

**Date:** September 30, 2019

**Place:** Mumbai

### **DECLARATION SANDIPKUMAR GUPTA**

The undersigned Selling Shareholder hereby confirms that all statements, disclosures and undertakings made by the undersigned Selling Shareholder in this Draft Red Herring Prospectus about or in relation to himself and the Equity Shares being offered and sold by him in the Offer for Sale are true and correct.

Signed by the Selling Shareholder

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**Sandipkumar Gupta**

**Date:** September 30, 2019

**Place:** Mumbai

### **DECLARATION RAJDIPKUMAR GUPTA**

The undersigned Selling Shareholder hereby confirms that all statements, disclosures and undertakings made by the undersigned Selling Shareholder in this Draft Red Herring Prospectus about or in relation to himself and the Equity Shares being offered and sold by him in the Offer for Sale are true and correct.

Signed by the Selling Shareholder

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**Rajdipkumar Gupta**

**Date:** September 30, 2019

**Place:** Mumbai