

ANNUAL REPORT 2019



onmobile

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Overview



1.68
BILLION
Consumer
reach



900
MILLION
Digital
reach



100+
MILLION
Monthly active users
across all products



10+
MILLION
App
installs



99
CUSTOMERS
Across
the globe

Chairman & CEO's Message



Dear Shareholders,

This year's highlights were about signing new contracts, renewing major customers and launching new services globally. Following an encouraging upward trend we have renewed contracts over 200M\$ of our current business, to be carried out in the next five years, as well as signing over 35M\$ of new business to be accounted in our revenues over the next three years.

Our investments in product development are yielding results. Last year's introduction to videos and sports has led us to deploy a variety of new services in many different languages and countries. This year we launched digital contests, kid's applications and games clubs. Digital contests got the first deployments outside of India with high demand in the Middle East. The kid's application successfully debuted in Europe. It focuses on video, games and music, especially curated for children. Finally, games had so much traction from operators globally that we acquired Appland.

This platform makes it possible for us to rapidly deliver games clubs in every targeted region. We expect in the next two years, to have over 100 profitable games clubs and new services. Each of these services will represent only approximately one-tenth of our mature business in their first year's revenues. We forecast that by the three-year mark, the new services revenues will be at cruising speed.

As for tones, our flagship product, we did significant upgrades to the app this year, becoming a music service and adding key features such as video tones. The engagement and virality are booming and our focus is to ensure that more of our subscribers download the smartphone app. We are also quite positive about the soon to be launched advertisement based services, which will add to our subscription revenues and drive subscribers' growth.

Our global revenues for the year were of INR 5939 million and EBITDA of INR 358 million. Most of the revenue decline was in India, which now represents only 16% of total revenue as compared to 22% a year ago. However, considering our new deals not only with mobile carriers but also with handset manufacturers, OTT players and wallet providers, we believe Indian revenues will stabilize for the coming year without impairing our global growth.

Lastly, I want to thank our 760 employees for their dedication and continuous efforts to bring efficiencies while building OnMobile as a global leader in Mobile Entertainment. A special thanks to all our shareholders for their continuous support. I remain very confident that our investments will reflect clear value. The company has great assets, a solid cash position of INR 2510 million and so many good opportunities that will materialize in the near future.

François-Charles Sirois
Executive Chairman & Chief Executive Officer

President & COO's Message



Dear Shareholders,

FY 18-19 was an action-packed year for OnMobile in India, Asia and the Middle East and Africa. We created new opportunities in a challenging market scenario and ventured into new territories. We focused on launching our products in the mobile entertainment space that helped us strengthen our relationships with carriers and build new relationships with mobile wallet operators, OEM's and OTT's.

This year, India was more stable post initial implementation challenges of its federal tax reform, Goods and Service Tax (GST) and the impact of the erstwhile new telecom entrant. The Indian telecom industry firmly consolidated into a 3+1 structure, with muted revenues and lower tariff plans.

The Indian telecom industry saw the new entrant making rapid progress on the back of free and bundled services, thereby leading to new standings in the marketplace. There was a sharp growth in data consumption due to low tariff and exponential growth in smartphone penetration.

Video consumption surged and continued to be the reason for an increase in data usage. The revenue pressure continued with a gradual drop in the Indian operator's wallet, leading to bundled services.

In the past year, we started to focus on non-operator channels like Mobile Financial Services, Handset OEM's and OTT apps, by providing them with our premium mobile entertainment services. Am happy to report that we successfully moved ahead on this game plan and announced a strategic partnership with bKash Limited, the largest Mobile Financial Services (MFS) provider in Bangladesh.

To appeal to the Millenials, our contests product was given an upgraded digital avatar in terms of Progressive Web App (PWA), which evolved as a beneficial channel for engaging users with new contest formats and announcing winners instantly. We ventured into Qatar with our Contest PWA which delivered an encouraging response.

Our Tones App across operators cumulatively had around 9 million installs exiting FY19. Besides, we have integrated Tones services with bundled packs, which significantly boosted our user acquisitions. Keeping our focus on gaming and videos products, this year, we launched our digital sports portal in Mozambique, Kenya and India.

The situation in most countries across Africa, Middle East & Asia saw stable currency and commodity prices, leading to a healthy business situation. Overall the company witnessed moderate growth in the Middle East, Africa and Asia.

Lastly, I would like to thank our customers, partners, shareholders and colleagues for their support and faith in us. We seek your continued support and guidance in the year ahead.

Sanjay Bhambri
President & Chief Operating Officer-
India, Asia, Middle East & Africa

President & COO's Message



Dear Shareholders,

FY 2018-19 has been a challenging yet exceptional year for business in the Americas and Europe. For the 5th consecutive year, in Europe, we have maintained a stable revenue growth, thanks to the shift of content mix to categories like games, lifestyle and videos. We have successfully adapted to the new European privacy regulation GDPR and significantly improved our marketing efficiency and our customer acquisition costs.

The highlight of FY 18-19 was the contract renewal of one of our largest customers, Telefónica Spain for another five years. OnMobile has been providing videos, editorials, games, tones, and a host of similar services to Telefónica's subscribers since 2012. The long-term contract renewal ensures continued revenue growth and is a testimony to the deep and trusted relationship that OnMobile has with Telefónica.

Over the years, we have kept our pace with the ever-increasing consumer expectations for newer and relevant content. Based on our understanding that "content is key" we decided to make video and

gaming services as the cornerstone of our growth. As part of our innovation lab, we have launched Kids planet with Vodafone Spain, an entertainment app with over 3,000 contents from Sanrio, Planeta Junior, Highlights for Children, Lingo Kids, Motion Pictures and many others, with a high educative value, addressed to kids from 3 to 12 years. Additionally, we launched our games services with Movistar, which is a part of the brand Telefonica Spain.

We introduced a B2C portal in Italy and got new contracts outside our RBT segment in LATAM as we launched Games in Brazil and Mexico.

Finally, we are transforming ourselves to take on new challenges which the operators face due to investments in the 5G network and competition from OTT services. With the help of big data, business intelligence and analytics, we are optimistic about opportunities that lie ahead in our future services leveraging IoT and 5G bandwidth to run new apps and fresh content.

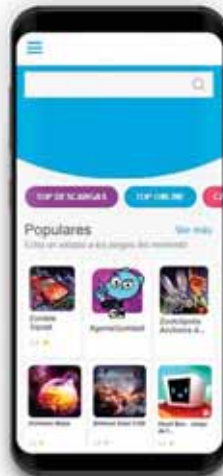
I am very grateful to all our customers, partners, employees and shareholders for their continued support and faith in OnMobile.

Ignacio Martin Velasco
President & Chief Operating Officer-
Americas & Europe

Services Powered

Q1 & Q2

- ▶ **Contests**
Progressive Web App
Leading operator in India
- ▶ **Sports**
Progressive Web App
Leading operator in India



Games
App
Leading operator in Spain



Sports
Progressive Web App
Leading operator in Mozambique



Videos & Editorials
Progressive Web App
D2C Italy

Q3

- ▶ **Tones**
Embedded App
Leading operator in India
- ▶ **Tones**
App
Leading operator in Bahrain
- ▶ **Videos & Editorials**
Progressive Web App
2 Leading operators in Spain
- ▶ **Videos**
App
Leading operator in Egypt
- ▶ **Games**
App
2 Leading operators in Myanmar



Games
App
D2C Spain



Videos
App
Leading operator in UAE



Contests
Progressive Web App
Leading operator in Qatar

Services Powered

Q4

- ▶ **Tones**
App
2 Leading operators in Spain
- ▶ **Sports**
Progressive Web App
Leading operator in Kenya
- ▶ **Games**
App
2 Leading operators in Nigeria
- ▶ **Tones**
App
2 Leading operators in India
- ▶ **Games**
App
3 Leading operators in Netherlands
- ▶ **Games**
App
Leading operator in South Africa
- ▶ **Games**
App
Braintree Global
- ▶ **Games**
App
Leading operator in USA



Tones
App
Leading operator in Spain



Games
App
Leading operator in India



Contests
Engagement Tool
D2C India



Kids
App
Leading operator in Spain

Corporate Information and Board of Directors

Board of Directors

François-Charles Sirois	Executive Chairman and CEO
Rajiv Khaitan	Independent Director
Nancy Cruickshank	Independent Director
Sanjay Baweja	Independent Director
Chris Arsenault	Independent Director
Sanjay Kapoor	Independent Director
Gianluca D'Agostino	Independent Director

Board Committees

Audit Committee

Sanjay Baweja	Chair
Rajiv Khaitan	Member
Chris Arsenault	Member
Gianluca D'Agostino	Member

Nomination and Compensation Committee

Nancy Cruickshank	Chair
Sanjay Kapoor	Member
Chris Arsenault	Member
Gianluca D'Agostino	Member

Stakeholders Relationship Committee

Rajiv Khaitan	Chair
Sanjay Baweja	Member
Sanjay Kapoor	Member
Gianluca D'Agostino	Member

Corporate Social Responsibility Committee

Rajiv Khaitan	Chair
Chris Arsenault	Member
Nancy Cruickshank	Member

Risk Management Committee

Sanjay Kapoor	Chair
François-Charles Sirois	Member
Nancy Cruickshank	Member
Sanjay Baweja	Member

Company Secretary

P V Varaprasad

Statutory Auditors

B S R & Co. LLP

Internal Auditors

Grant Thornton India LLP (up to March 31, 2019)

Ernst & Young LLP (from April 01, 2019)

Bankers

Kotak Mahindra Bank Limited

Citibank N A

ICICI Bank Limited

State Bank of India

Stanbic Bank

Ciaxa Bank, Spain

Standard Bank, South Africa

Skandinaviska Enskilda Banken, Sweden

HSBC Bank, Bangladesh

Registered Office

Tower#1, 94/1C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bengaluru - 560 100, Karnataka, India
T +91 80 4009 6000; F + 91 80 4009 6009
CIN: L64202KA2000PLC027860
E: investors@onmobile.com
www.onmobile.com

Registrar and Share Transfer Agent

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot No. 31 & 32,
Gachibowli Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad – 500 032
T +91 40 6716 2222; F +91 40 2342 0814
E: einward.ris@karvy.com

Subsidiaries and Branches of the Company

I. List of Subsidiaries of the Company

OnMobile Global Limited has the following Subsidiary Companies as on March 31, 2019:

Sl.No	Name of the Subsidiary Company	Country	Sl.No	Name of the Subsidiary Company	Country
1.	OnMobile Singapore Pte. Ltd.	Singapore	20.	OnMobile Zambia Telecom Limited	Zambia
2.	OnMobile SA (Erstwhile Telisma SA)	France	21.	OnMobile Uganda Limited	Uganda
3.	OnMobile Europe BV	Netherlands	22.	OnMobile Madagascar Telecom Limited	Madagascar
4.	OnMobile USA LLC	USA	23.	OnMobile Rwanda Telecom Limited	Rwanda
5.	Servicios De Telefonía OnMobile SA De CV	Mexico	24.	OnMobile Nigeria Telecom Limited	Nigeria
6.	OnMobile Servicios Corporativos De Telefonía SA De CV	Mexico	25.	OnMobile Ghana Telecom Limited	Ghana
7.	OnMobile Global SA	Argentina	26.	OnMobile Global Solutions Canada Limited	Canada
8.	OnMobile De Venezuela CA	Venezuela	27.	OnMobile Telecom (SL) Limited	Sierra Leone
9.	OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	Brazil	28.	OnMobile Global Italy SRL	Italy
10.	OnMobile Global for Telecommunication Services	Egypt	29.	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	Turkey
11.	OnMobile Uruguay SA	Uruguay	30.	OnMobile Portugal SGPS, Unipessoal LDA	Portugal
12.	OnMobile Senegal SARL	Senegal	31.	OnMobile Telecom Burkina Faso, SARL	Burkina Faso
13.	OnMobile Mali SARL	Mali	32.	OnMobile Live Inc.	USA
14.	OnMobile Bangladesh Private Limited	Bangladesh	33.	OnMobile Global Czech Republic SRO	Czech Republic
15.	OnMobile Kenya Telecom Limited	Kenya	34.	FoneStarz Media Group Limited	UK
16.	OnMobile Telecom Limited	Malawi	35.	2DayUK Limited	UK
17.	OnMobile Costa Rica OBCR, SA	Costa Rica	36.	OnMobile Global Limited Colombia SAS	Colombia
18.	OnMobile Global Spain, SL	Spain	37.	OnMobile Global South Africa (PTY) Ltd.	South Africa
19.	OnMobile Tanzania Telecom Limited	Tanzania	38.	OnMobile Latam Holdings, SL	Spain
			39.	Appland AB	Sweden

II. List of Branches / Representative offices of the Company

Along with the above said subsidiary companies, OnMobile Global Limited has the following Branches/Representative offices as on March 31, 2019:

SI No.	Branch Locations	SI No.	Branch Locations
1	Mumbai, India	14	Dar Es Salaam, Tanzania
2	Gurgaon, India	15	Santiago , Chile
3	Dhaka, Bangladesh	16	Panama City, Panama
4	Kuala Lumpur, Malaysia	17	Guayaquil, Ecuador
5	St. Ives, UK	18	Managua, Nicaragua
6	Rosebank, South Africa	19	San Salvador, EL Salvador
7	Dubai, UAE	20	Lima, Peru
8	Aggona, Sri Lanka	21	Bengaluru (SEZ), India
9	Bucharest, Romania	22	Niamey, Niger
10	Nicosia, Cyprus	23	Democratic Republic of Congo
11	Guatemala City, Guatemala	24	Doha, Qatar
12	Kathmandu, Nepal	25	Conakry, Guinea Republic
13	Milan, Italy		

Contact Information

ASIA-PACIFIC

INDIA

BENGALURU

OnMobile Global Limited – Corporate Registered office
Tower #1, 94/1 C & 94/2, Veerasandra Village,
Attibele Hobli, Anekal Taluk, Electronic City Phase-1,
Bengaluru - 560100, Karnataka, India

OnMobile Global Limited (Branch)
RMZ Eco world, Building # 1, 4th Floor,
SEZ – Varthur Hobli, Devarabeesanahalli Village,
Outer Ring Road, Bengaluru – 560103

MUMBAI

OnMobile Global Limited (Branch)
I Think Techno Campus, Office no 809, Supremus -E Wing
Kanjurmarg (East), Mumbai - 400042

MUMBAI CO WORKS OFFICE

Birla Centurion, Pandurang Budhkar Marg,
Century Mills, Worli, Mumbai-400030

GURGAON

OnMobile Global Limited (Branch)
Time Tower, #003, Ground Floor, M G Road
(Opp. Gurgaon Central Mall), Gurgaon- 122002

BANGLADESH

OnMobile Bangladesh Private Limited
Baliaaree (4th floor), Plot # 30, Road # 130,
South Avenue, Gulshan-1, Dhaka-1212, Bangladesh

OnMobile Global Limited (Branch)
Baliaaree (4th floor), Plot # 30, Road # 130,
South Avenue, Gulshan-1, Dhaka-1212, Bangladesh

SRI LANKA (Branch)

OnMobile Global Limited (Branch)
No. 20/A, Walpola Road, Aggona

MALAYSIA (Branch)

OnMobile Global Limited (Branch)
802, 8th Floor, Block C, Kelana Square, 17, Jalan SS7/26,
47301 Petaling Jaya, Selangor Darul Ehsan

SINGAPORE

OnMobile Singapore Pte. Ltd.
8 Shenton Way #21-07 AXA Tower, Singapore 068811

MIDDLE EAST AND AFRICA

DUBAI (Branch)

OnMobile Global Limited (Branch)
#1803, 18th Floor, Al Shatha Tower, Dubai Media City, Dubai

TANZANIA

OnMobile Global Limited (Branch)
10th Floor, PPF Tower, Corner of Ohio Street/Garden Avenue,
P O Box 1559, Dar Es Salaam, Tanzania

OnMobile Tanzania Telecom Limited
10th Floor, PPF Tower, Corner of Ohio Street/Garden Avenue,
P O Box 1559, Dar Es Salaam, Tanzania

EGYPT

OnMobile Global for Telecommunication Services
Regus Cairo Nile City Towers, 22nd Floor, North Tower,
Nile City Towers, Cornich El Nil Ramiet Boulak, Cairo,
Egypt. P.O. 11624

MALAWI

OnMobile Telecom Limited
C/o BDO Tax & Advisory Services Pvt. Ltd., 6th floor
Unit House, Victoria Avenue, P.O Box 3038, Blantyre, Malawi

MALI

OnMobile Mali SARL
Badalabougou Est - Rue 25 - Porte 271 BP 3013,
Bamako-Mali

ZAMBIA

OnMobile Zambia Telecom Limited
3rd floor, 74 Independence Avenue, Longacres,
Lusaka, Zambia, P.O Box 31198, Lusaka

UGANDA

OnMobile Uganda Limited
3rd Floor, Diamond Trust Building, Plot 17/19
Kampala Road, P.O. Box 7166, Kampala

RWANDA

OnMobile Rwanda Telecom Limited
C/o PKF Rwanda Ltd, KG 5 Avenue, Kigali.
P.O Box 341 Kigali, Rwanda

GHANA

OnMobile Ghana Telecom Limited
N.11 Adaman Loop, Abeka Junction, Tesano, Accra,
P.O. Box AN 19113, Accra-North

BURKINA FASO

OnMobile Telecom Burkina Faso, S.A.R.L.
Secteur 15 Section 475 Lot 21 Parcelle 14 Ouagadougou
PO Box: 10 BP 13675 Ouagadougou 13

SOUTH AFRICA

OnMobile Global South Africa (PTY) Limited
4th Floor, The Firs, Cradock Avenue, Rosebank,
Johannesburg, Gauteng, 2196, South Africa

OnMobile Global Limited (Branch)

4th Floor, The Firs, Cradock Ave, Rosebank,
Johannesburg, Gauteng, 2196, South Africa

SENEGAL**OnMobile Senegal SARL**

3, Place de l'indépendance BP. 6454 Dakar, Senegal

KENYA**OnMobile Kenya Telecom Limited**

Plot No. 209/19567, 6th Floor, Suite 6B,
TRV Office Plaza, Muthithi Road, Westlands
P.O.Box-4181-00200, Nairobi, Kenya

MADAGASCAR**OnMobile Madagascar Telecom Limited**

Immeuble ARO Ampefiloha I Esc A Porte A 402
Antananarivo 101 Madagascar

NIGERIA**OnMobile Nigeria Telecom Limited**

Adol House 15 IPM Avenue, Central Business District,
Alausa Ikeja Lagos, Nigeria

SIERRA LEONE**OnMobile Telecom (SL) Limited**

#12, Wilberforce Street, Regent House, Freetown

NIGER (Branch)**OnMobile Global Limited SA (Branch)**

BVD Mali Béro, rue YN 125 BP 11160 Niamey Niger

DEMOCRATIC REPUBLIC OF CONGO (Branch)

OnMobile Telecom Democratic Republic of Congo SARL (Branch)
19B, Avenue Maniema, Commune ET Ville De Lubumbashi,
Province Du Katanga En Republique Democratique Du Congo

QATAR (Branch)**OnMobile Global Limited (Branch)**

P. O. Box 47199

CONAKRY, GUINEA REPUBLIC - (Branch)

Societe OnMobile Telecom Guinee (Branch)
4th Floor Immeuble Chérif DIALLO, Boulevard Telly DIALLO,
Kouléwondy section, Kaloum district

EUROPE**SWEDEN****Appland AB**

Skeppsbron 5, 411 21 Gothenburg, Sweden

FRANCE**OnMobile SA (Erstwhile Telisma SA)**

6 Residence les Tournelles, 78810 Feucherolles, France

ITALY**OnMobile Global Limited (Branch)**

Milano (MI) Corso Plebisciti 8 cap 20129

OnMobile Global Italy SRL

Via Felice Casati 20 - 20124 Milan (Italy)

NETHERLANDS**OnMobile Europe BV**

Prins Bernhardplein 200, 1097JB Amsterdam
(Mailing: Postbus 990, 1000AZ Amsterdam)

ROMANIA (Branch)**OnMobile Global Limited-India Sucursala Bucuresti (Branch)**

Bucharest, District 1, 15-17 Helesteului Street,
Semi-basement within Room 2, Office 1

PORTUGAL**OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)**

Rua dos Ilhéus numero 6, freguesia de S. Pedro, 9000-176
Funchal

CZECH REPUBLIC**OnMobile Global Czech Republic SRO**

Jugoslávská 620/29, Vinohrady, Postal Code 120 00, Prague 2

UNITED KINGDOM**OnMobile Global Limited (Branch)**

Ground Floor Suite 2, Clare Hall, Parsons Green,
St. Ives, Cambridgeshire, PE 27 4WY

2DayUK Limited

505 Pinner Road, Harrow, Middlesex , HA2 6EH

FoneStarz Media Group Limited

505 Pinner Road, Harrow, Middlesex, HA2 6EH

TURKEY**OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi**

Veko Giz Plaza Meydan Sk. N. 3/45 K.14 Oda.1407
Maslak Sarıyer, Istanbul

CYPRUS (Branch)**OnMobile Global Limited (Branch)**

Lampousas, 1, P.C. 1095, Nicosia, Cyprus

SPAIN**OnMobile Global Spain, SL**

Avenida de Europa numero 24, Edificio Torona, Planta 1,
Modulo A, Letra C, del Parque Empresarial La Moraleja,
codigo postal 28108 de Alcobendas, Madrid (Espana)

OnMobile Latam Holdings, SL

Avenida de Europa numero 24, Edificio Torona, Planta 1,
Modulo A, Letra C, del Parque Empresarial La Moraleja,
codigo postal 28108 de Alcobendas, Madrid (Espana)

NORTH AMERICA

USA

OnMobile USA LLC

2222 Ponce De Leon Miami, Fl. 33134

OnMobile Live Inc.

2222 Ponce De Leon Miami, Fl. 33134

MEXICO

OnMobile Servicios Corporativos De Telefonía SA De CV

Zamora 187, Colonia Condesa, 06140, Ciudad de México

Servicios De Telefonía OnMobile SA De CV

Paseo de la Reforma No. 505 P-31, Col. Cuauhtemoc,
Del. Cuauhtemoc, CP. 06500, México, D.F.

CANADA

OnMobile Global Solutions Canada Limited

630 Boulevard René-Levesque, West, Suite 2780,
Montreal Quebec, H3B-1S6

CENTRAL AMERICA

COSTA RICA

OnMobile Costa Rica OBCR, SA

San José, Escazú, San Rafael, Avenida Escazú, Lexus Tower,
Fourth Floor

NICARAGUA (Branch)

OnMobile Global Limited Sucursal Nicaragua (Branch)

Edificio CAR III, 5to Piso. Modulo, M.5-4, Managua,
Nicaragua, Central America

EL SALVADOR (Branch)

OnMobile Global Limited Sucursal El Salvador (Branch)

Calle La Mascota, Col San Benito, Casa 533, San Salvador

GUATEMALA (Branch)

Servicios De Telefonía OnMobile, Sociedad Anonima De Capital Variable (Branch)

14 Calle Edificio Murano Center Nivel 8 of 803 3-51
Zona 10 Guatemala

PANAMA (Branch)

OnMobile Global Limited (Branch)

CA Legal Services, Global Bank Tower, Calle 50,
Floor 24th, Office 2401, Panama, Republic of Panama

LATIN AMERICA

VENEZUELA

OnMobile De Venezuela, CA

Tercera Avenida, entre 6ta y 7ma Transversal de los Palos
Grandes, Quinta Clydes. Caracas, Venezuela

CHILE (Branch)

OnMobile Global Limited – Agencia En Chile (Branch)

Av. Providencia No. 329, P.6, Santiago, Chile– 13

ECUADOR (Branch)

OnMobile Global Limited (Branch)

Av. República del Salvador 1082 y Naciones Unidas, Edif.
Mansión Blanca, Torre París, Piso 5, Quito, Ecuador

COLOMBIA

OnMobile Global Limited Colombia SAS

Carrera 16 No. 93-92 Bogotá, Colombia

BRAZIL

OnMobile Brasil Sistemas De Valor Agregado Para Comunicações Móveis Ltda.

City of São Paulo, State of São Paulo, at Rua Diogo Moreira,
132, conjunto 1301, Pinheiros, CEP 05423-010

ARGENTINA

OnMobile Global SA

Ortiz de Ocampo 3302, Módulo 1, Oficina 24, de esta Ciudad
Autonoma de Buenos Aires

URUGUAY

OnMobile Uruguay SA

Bulevar Artigas 1100 CP 11300 - Montevideo – Uruguay

PERU (Branch)

OnMobile Limited Sucursal Peruana

Av. Juan de Aliaga No. 425 - Oficina 612,
Magdalena del Mar, Lima – Perú

Report on Corporate Governance

CORPORATE GOVERNANCE

The Company's Philosophy on Corporate Governance is as under:

- i. Ensure that the Board exercises its fiduciary responsibilities towards shareholders, thereby ensuring high accountability;
- ii. Ensure that the decision making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committee thereof;
- iii. Ensure that the Board, the senior management team, the compliance officer, the employees and all concerned are fully committed to maximize long-term value to the share owners and the Company;
- iv. Ensure that the financial and management information, which management shares with the Board, as well as the current and potential investors is timely and accurate;
- v. Ensure that the core values of the Company are protected;
- vi. Ensure that the Company strives to achieve world class operating practices.

BOARD OF DIRECTORS

The OnMobile Board consists of Executive and Non-Executive directors. The Non-Executive directors consist of eminent professionals from business and finance. The Company does not have any nominee director. The Board consisted of 7 Directors as on March 31, 2019 of which the Chairman of the Board is an Executive Director. The composition of the Board is in conformity with Regulation 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl. No	Name	Designation	Shareholding in OnMobile as on March 31, 2019
1	François-Charles Sirois	Executive Chairman and CEO	-
2	Rajiv Khaitan	Independent Director	-
3	Nancy Cruickshank	Independent Director	-
4	Sanjay Baweja	Independent Director	300,000
5	Chris Arsenault	Independent Director	-
6	Sanjay Kapoor	Independent Director	-
7	Gianluca D'Agostino	Independent Director	-

None of the Directors are related to each other.

Note: Gianluca D'Agostino was appointed as Additional Director w.e.f July 27, 2018 and subsequently appointed as Independent Director at the Annual General Meeting held on September 18, 2018.

MEETINGS OF THE BOARD

The Board meets at least four times in a year with the intervening period between two Board meetings of not more than one hundred and twenty days. The annual calendar of meetings is tentatively determined at the beginning of each year. During the year ended March 31, 2019, the Board met Five times as given below:

Details of Board meetings held during the year

Sl. No.	Date of Board Meeting	Board Strength	Directors present
1	May 16, 2018	6	5
2	July 27, 2018	7	7
3	September 18, 2018	7	7
4	October 29, 2018	7	7
5	February 12, 2019#	7	7

Meeting through recorded Video Conference

A structured agenda governs the meetings. Members of the Board, in consultation with the Chairman may bring up any matter for consideration of the Board. The Notice, Agenda and attached notes on agenda, setting out the business to be transacted at the meeting is given to the Directors at least seven days before the date of the Board meeting. All material information is circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board under Part A of Schedule II of Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DETAILS OF DIRECTORS AND THEIR ATTENDANCE

Name of Director & DIN	Age	Position	Category	Attendance in Board Meetings		Attendance in last AGM	Other Board				
				Held	Attended *		Directorships in Indian public companies+	Directorships in other Indian listed companies++	Directorships all around the world +++	Committee Chairmanships #	Committee Memberships# (including Chairmanships)
François-Charles Sirois (06890830)	44	Executive Chairman and CEO	Executive Director	5	5	Yes	Nil	Nil	12	Nil	Nil
Rajiv Khaitan (00071487)	59	Director	Independent	5	5	Yes	3	1 Himatsingka Seide Limited (Independent Director)	8	2	4
Nancy Cruickshank (06928547)	48	Director	Independent	5	5	Yes	Nil	Nil	3	Nil	Nil
Sanjay Baweja (00232126)	58	Director	Independent	5	5	Yes	Nil	Nil	2	1	2
Chris Arsenaault* (07825919)	47	Director	Independent	5	4	Yes	Nil	Nil	11	Nil	1
Sanjay Kapoor (01973450)	57	Director	Independent	5	5	Yes	1	Nil	5	Nil	2
Gianluca D'Agostino ¹ (05143003)	49	Director	Independent	5	4	Yes	Nil	Nil	5	Nil	2

Note : In the above table 'deemed to be public companies', if any are not counted as public companies

+ Excluding directorships in OnMobile Global Limited and its subsidiaries

++ Excluding directorships in OnMobile Global Limited

+++ Directorships in all companies around the world (listed and unlisted) including OnMobile Global Limited and its subsidiaries

Memberships/Chairmanships of only Audit Committee and Stakeholders Relationship Committee in public companies (listed and unlisted) including OnMobile Global Limited. The number of Directorships held by the Directors are within the permissible limits under SEBI Listing Regulations and Companies Act, 2013. None of the Directors is a Member of more than 10 Committees or Chairperson of more than 5 Committees

* Participation through audio conference is not shown as attendance.

¹ Gianluca D'Agostino was appointed as Additional Director on the Board w.e.f July 27, 2018

The Details of the Board of Directors as on date are as below:

François-Charles Sirois is the President and CEO of Telesystem, a global media and technology holding company. He is also the President and Chief Executive Officer of OnMobile Systems Inc., the largest shareholder of OnMobile. François-Charles has about 20 years of experience in corporate mergers, acquisitions and financing. His entrepreneurship, expertise and talent for developing successful joint ventures with innovative partners have enabled Telesystem to leverage the momentum in the media and technology industry. Before joining Telesystem, François-Charles founded and helmed up2 technologies, Microcell i5 and Masq. He was appointed as Additional Director on the Board of the Company on June 26, 2014 and his appointment as a Non-Executive Director was approved by the shareholders at the meeting held on September 10, 2014. François-Charles was later appointed as an Executive Chairman of the Company for a period of five years effective from November 1, 2014. François-Charles was appointed as CEO and re-designated as 'Executive Chairman and

CEO' of OnMobile w.e.f March 01, 2017. François-Charles Sirois is being re-appointed as Executive chairman & CEO of the Company for a period of five years w.e.f November 1, 2019 and approval of shareholders is being sought at the forthcoming AGM. As on March 31, 2019, François-Charles Sirois is on the Board of following other companies:

1. OnMobile Systems Inc.
2. Telesystem Ltd.
3. Stingray Group Inc.
4. Zone3 Inc.
5. Telesystem Media Inc.
6. Telesystem Energy Ltd.
7. CVTCORP Transmission Inc.
8. OnMobile Global Solutions Canada Ltd.
9. Telesystem Immobilier Inc.
10. OnMobile USA LLC
11. NorthStar Earth & Space Inc.

Rajiv Khaitan is the Senior Partner of Khaitan & Co. Rajiv has over 30 years of experience in general legal practice with focus on business laws and currently leads the corporate and commercial laws practice at Bengaluru. He advises on all aspects of Business including business laws and regulations, corporate governance and finance, structuring, taxation, negotiation of commercial contracts, securities laws and takeover and listing regulations, mergers and acquisitions both in India and overseas, foreign exchange regulations, foreign investment regulations, investment and transaction structuring, business combinations, strategic alliances, competition laws, trade laws, foreign collaborations, India entry strategies, private equity investments, promoter investment and shareholder agreements, intellectual property laws, protection and licensing, technology licensing and transfer, retailing, franchising, consumer protection laws, packaging laws, labour laws, real estate and dispute resolution. Rajiv holds a Bachelor of Commerce degree and an LLB from the Calcutta University. As per the provisions of Companies Act, 2013, Rajiv was appointed as an Independent Director at the Annual General Meeting held on September 10, 2014 to hold office for a period of three years up to the date of the AGM held during the calendar year 2017. Rajiv was re-appointed at the 17th AGM held on September 6, 2017 to hold office for a further period of three years up to the date of the AGM to be held during the calendar year 2020. As on March 31, 2019, Rajiv Khaitan is on the Board of the following other companies:

1. EFD Induction Pvt Ltd.
2. Himatsingka Seide Ltd.
3. Khaitan Consultants Ltd.
4. ABC Consolidated Pvt Ltd.
5. Bharat Fritz Werner Ltd.
6. Himatsingka Wovens Pvt Ltd.
7. Himatsingka Holdings NA Inc.

Nancy Cruickshank was the Founder & CEO and is Director of MyShowcase Ltd, a new kind of online & direct beauty retailer that champions female entrepreneurialism. She is currently associated with Carlsberg as Sr. Vice – President, Digital business transformation. She is actively involved in building a new distribution channel for innovative beauty brands via a growing base of female stylists or entrepreneurs. Nancy Cruickshank is a serial entrepreneur herself and has an advisory role in a number of companies. Having graduated from Leeds University with History Honors degree, she started working for Condé Nast in marketing and advertising on titles such as Vogue and World of Interiors, becoming commercial director of Condé Nast online in 1995 – the start of a career with the digital world at its core. In 2001, she launched Handbag.com - the pioneering fashion and beauty portal which she sold to Hearst in 2006. She stayed on after the buy-out to oversee their portfolio of web properties including cosmopolitan.co.uk, netdoctor.co.uk, menshealth and Handbag.com, which under her leadership grew its audience to over 1.3 million women per month. In 2008, she joined VideoJug, the market-leading How To website, as Global CEO and in May 2009 moved to the Telegraph Media Group (TMG) as Executive Director, Digital Development

where her focus was on growing TMG's digital proposition and revenues. From April 2012 to March 2013, she was the Launch CEO of Weve, leading a team that secured clearance from the EC for the UK's leading mobile operators (EE, Vodafone and Telefonica) to launch a media & mCommerce JV in the UK. As per the provisions of Companies Act, 2013, Nancy Cruickshank was appointed as an Independent Director at the Annual General Meeting held on September 10, 2014 to hold office for a period of three years up to the date of the AGM held during the calendar year 2017. Nancy was re-appointed at the 17th AGM held on September 6, 2017 to hold office for a further period of three years up to the date of the AGM to be held during the calendar year 2020. As on March 31, 2019, Nancy Cruickshank is on the Board of the following other companies:

1. MyShowcase Ltd
2. Bango Plc

Sanjay Baweja was previously the Chief Financial Officer (CFO) of Suzlon Energy Ltd., a leading renewable energy solutions provider in the world. At Suzlon, he was part of the core think tank of the company that defined the strategic roadmap for increased profitability and contributed to overall organizational development. Prior to Suzlon, he was CFO of Flipkart and prior to that the Global CFO for Tata Communications. With over three decades of experience across diverse industries, Sanjay Baweja has worked with several iconic brands including Emaar MGF Land Limited as Executive President for Corporate Affairs and Chief Risk Officer, Bharti Airtel, Xerox Modicorp, Digital Equipment and Ballarpur Industries. He holds a Bachelor's degree in Commerce from Delhi University. He is a Fellow member of the Institute of Chartered Accountants of India and Associate member of the Institute of Cost and Works Accountant of India. As per the provisions of Companies Act, 2013, Sanjay Baweja was appointed as an Independent Director at the Annual General Meeting held on September 8, 2015 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2018. Sanjay was re-appointed at the 18th AGM held on September 18, 2018 to hold office for a further period of three years up to the date of the AGM to be held during the calendar year 2021. As on March 31, 2019, Sanjay Baweja is on the Board of the following other companies:

1. Savan Retailers Private Limited.

Chris Arsenault is a senior executive with over 20 years of general management experience in high technology industries, with extensive experience in business development, strategic planning, sales, marketing and communications. Chris is the cofounder, President & CEO of iNovia Capital, a Venture Capital firm launched in 2007. Chris is an active board member of Réseau Capital, and a proud Charter Member of Silicon Valley based C100. Before launching iNovia Capital in 2007, he first joined MSBi Capital in 2002 and, prior to that, had founded, co-founded or funded a number of software, mobile and consumer internet technology start-up companies, including two spin-offs of telecom giants Microcell and Teleglobe. Chris' entrepreneurial and investment experience includes several notable exits that generated large shareholder returns, such

as Luxury Retreats, Localmind, Airborne Entertainment, Copernic Technologies, Wanted Technologies, and SIT Inc. His work in the mid-90's as Founder and CEO of SIT provided him with the opportunity to play an important part in the initial growth of the internet. As one of Netscape's first external partners and integrators, SIT's security products and dial-up technology eventually grew to become an integral part of Netscape's deployment. SIT, after the winding-up of its Ste-Foy offices, was sold to Ubizen of Belgium in 1999 for €42 million. Chris is also proud to have been instrumental in the creation of the ENABLIS Entrepreneurial Network, a \$30+ million G8-sponsored venture capital seed fund. Chris Arsenault was appointed as Additional Director on the Board of the Company effective May 26, 2017. As per the provisions of Companies Act, 2013, Chris Arsenault was appointed as an Independent Director at the Annual General Meeting held on September 6, 2017 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2020. As on March 31, 2019, Chris Arsenault is on the Board of the following other companies:

1. iNovia Capital Inc.
2. iNovia Capital GP-III Inc.
3. iNovia Capital (US) Inc.
4. iNovia Growth Capital Inc.
5. iNovia GP-2018 Inc.
6. AppDirect
7. Gamerizon Studio Inc.
8. Figueira Capital Inc.
9. Poka Inc.
10. Snap Travel (Wise Travel Technologies Inc.)

Sanjay Kapoor in his entrepreneurial avatar, joined the promoter group of Micromax Informatics Limited as their Chairman in June 2014. In that role he was responsible for leading the Company's board and management, building scale to an existing billion-dollar business and transforming it from a 'Device' company to a 'Device & Services' company. During July 2015 he stepped down from the Executive Chairmanship of Micromax to pursue a plural career in entrepreneurship, consulting & advisory and investing in & mentoring start-ups. With an illustrious career spanning over 34 years, 19 of which have been in the telecommunications sector, Sanjay is an established global leader in telecom and allied industry. Sanjay was the Chief Executive Officer for India and South Asia of India's largest telecom company, Airtel (March 2010 till May 2013). Sanjay is one of the key leaders in building Bharti Airtel from being one of the many players in the industry to making it as the number one telecom player in India, during his tenure with the company from July 1998 to May 2013. Sanjay's leadership extended well beyond the confines of Airtel and he elevated himself as an industry spokesperson globally. For more than 13 years he has played an active role in various industry forums like CII, COAI and NASSCOM. He has also been a Board & Executive committee member of GSMA, (the global forum bringing together nearly 800 global mobile operators), Board member of Indus Towers (world's largest telecom tower company with a portfolio of more than 1.5 lakh towers), Bennett, Coleman

& Co. Ltd (India's largest media company) and PVR Limited (India's largest movie exposition company). Additionally, Sanjay is a Senior Advisor with Boston Consulting Group, one of world's leading Consulting firms. He was declared the "Telecom person of the year" at the Voice and Data Telecom Leadership Awards 2012. Prior to joining Airtel, Sanjay worked with Xerox India as Director-Operations Support. He spent 14 years with the global document management company, handling a range of key portfolios, ranging from Sales & Marketing to General management functions. He began his professional career as an Executive Trainee with Jay Engineering Works Ltd., the manufacturers of Usha fans and sewing machines, in 1983. Sanjay holds a Bachelor's degree in Commerce (Hons.) from Delhi University, an MBA from Cranfield School of Management (UK) and is a Graduate of The Wharton Advanced Management Program. Sanjay Kapoor was appointed as Additional Director on the Board of the Company effective June 21, 2017. As per the provisions of Companies Act, 2013, Sanjay Kapoor was appointed as an Independent Director at the Annual General Meeting held in September 06, 2017 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2020. As on March 31, 2019, Sanjay Kapoor is on the Board of the following other companies:

1. VLCC Health Care Ltd.
2. Tech-Connect Retail Pvt Ltd.
3. IBus Network and infrastructure Pvt Ltd.
4. Saudi Telecom Company

Gianluca D'Agostino has amassed more than 25 years of international experience with active involvement in the telecommunications sector and in the wider tech world as manager first, then as entrepreneur and investor.

In the startup and scaleup scene, Gianluca has invested in several European companies. His main areas of focus have been ecommerce and technologies for ecommerce (B2C or B2B/SAAS). Besides, he is Senior Advisor for the company he founded back in 2007 in Rome - Neomobile SPA - now owned by two UK Private Equity funds: Collier Capital and Blue Gem. As Founder and CEO, he grew Neomobile business organically and via M&A (5 acquisitions) to become a leading mobile monetization platform and one of the most successful and profitable Italian digital companies, up to €120m Revenue and €16m EBITDA in 2014 (last full year as CEO). The company became leader in Europe and then moved overseas, opening and developing strategic markets such as Brazil, Mexico, Colombia and India. Along the journey he acquired, developed and exited Onebip, a payment company focused on DCB (Direct Carrier Billing) for apps, games and social networks in 60+ markets.

Before founding Neomobile in 2007, Gianluca has been one of the key consultants in the mobile telco industry, focused on entertainment, content and payment, advising public companies such as Wind, TIM, Teleunit and Lucent Technologies, as well as the Italian Government. From 2001 to 2003 he was Managing Director Italy at Freever, one of the first mobile service provider in Europe, pioneer in chats and social networks.

Gianluca is an evangelist in MobileTech, often invited for lectures and speeches in events worldwide, including the Mobile World Congress, MEM and MMA, Media Momentum, DLD Tel Aviv, 4YFN, Noah Conference, Capacity Europe and several others. He's also member of prestigious business networks: Founders Forum, Italian Angels for Growth, Future Fifty Alumni and Prabodhan, the UK-India leaders conclave.

Gianluca is a Chartered Electronics Engineer with a Master's Degree (110/110) at La Sapienza University in Rome, where he joined R&D projects on MPEG-2 encoding for HDTV within the Race-Hamlet EU framework, further developed in France at Thomson Multimedia Labs in 1994.

Gianluca D'Agostino was appointed as Additional Director on the Board of the Company effective July 27, 2018. As per the provisions of Companies Act, 2013, Gianluca was appointed as an Independent Director at the Annual General Meeting held in September 18, 2018 to hold office for a period of three years up to the date of the AGM to be held during the calendar year 2021. As on March 31, 2019, Gianluca D'Agostino is on the Board of the following other companies:

1. Bango Plc
2. Coolgames BV
3. AppQualiy srl (as observer to Board of Directors)
4. GoDiretti srl

MATRIX OF SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS AS PER REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

Competencies/skills	Description
Business expertise	Experience of global business dynamics, understanding of various geographical markets, cultures, people and regulatory frameworks.
Corporate Strategy & planning	Ability to scan and analyse the business trends, experience to guide and provide strategic directions to the management team, and driving change with the objective of growth.
Finance	Experience in leading finance function of variety of entities, ability to drive the Company to benchmark with best practices in various procedural areas of finance function.
Governance	Experience in statutory compliances, developing governance practices, driving business ethics and values so as to protect interests of stakeholders.

Individual Board Members skills/expertise/competencies:

S.No	Name of the Director	skills/expertise/competencies*			
		Business expertise	Corporate Strategy & planning	Finance	Governance
1	François-Charles Sirois	✓	✓	✓	
2	Rajiv Khaitan	✓	✓		✓
3	Nancy Cruickshank	✓	✓		✓
4	Sanjay Baweja	✓	✓	✓	✓
5	Chris Arsenault	✓	✓	✓	
6	Sanjay Kapoor	✓	✓	✓	✓
7	Gianluca D'Agostino	✓	✓	✓	

*Absence of "✓" does not mean such director does not have the corresponding expertise.

COMMITTEES OF THE BOARD

For the year ended March 31, 2019, the Board has five Committees – the Audit Committee, the Nomination and Compensation Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee and the Risk Management Committee. The constitution and terms of reference of the Board Committees are decided by the Board from time to time. Meeting of each Board Committee is convened by the respective Committee

Chairman. The Board had accepted recommendations of all the committees of the Board, in the financial year 2018-19 which were mandatorily required. The role and composition of these committees, including the number of meetings held during the financial year and the related attendance are as follows:

1. Audit Committee Composition

As on March 31, 2019, the Audit Committee consisted of the following four (4) directors:

1. Sanjay Baweja - Chair
2. Rajiv Khaitan
3. Chris Arsenault
4. Gianluca D'Agostino

All the four members of the Committee including its Chairman are independent directors having accounting and financial expertise. The Company Secretary acts as secretary to the Committee.

Terms of Reference

The terms of reference of the Audit Committee 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. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
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 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
 - 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor auditor's independence and performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
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 management, performance of statutory and internal auditors, adequacy of 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. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review 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 & background etc., of the candidate.
20. Reviewing the utilization of loans and/ or advances from/investment by the 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.
21. To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2018 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Meetings

During the financial year ended March 31, 2019, four meetings of the audit committee were held. The details of the same are as follows:

Sl. No.	Name of the Director	Meetings/Attendance			
		16-May-2018	26-Jul-2018	29-Oct-2018	12-Feb-2019 [#]
1	Sanjay Baweja - Chair	Present	Present	Present	Present
2	Rajiv Khaitan - Member	Present	Present	Present	Present
3	Chris Arsenault - Member	AC*	Present	Present	Present
4	Gianluca D'Agostino - Member ¹	NA	NA	Present	Present

Not Applicable (NA)

* AC-Audio Conference

[#] Meeting through recorded Video Conference

¹ Gianluca D'Agostino was appointed as a member in the Committee w.e.f July 27, 2018

2. Nomination and Compensation Committee

Composition

As on March 31, 2019, the committee consisted of the following four (4) directors:

1. Nancy Cruickshank – Chair
2. Sanjay Kapoor
3. Chris Arsenault
4. Gianluca D'Agostino

All the four members including the chairperson are independent directors.

Terms of Reference

The terms of reference of the Nomination and Compensation Committee include the following:

1. The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. The Committee will make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board the Criteria (such as independence, experience relevant to the needs of the Company, leadership qualities, diversity and ability to represent the shareholders) for the selection of the individuals to be considered as candidates for election to the Board.
3. The Committee will establish, monitor and recommend the purpose, structure and operations of the various Committees of the Board, and qualifications and criteria

on membership on each Committee of the Board, and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the Committees.

4. Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees (referred as 'Nomination and Remuneration Policy').
5. Committee shall, while formulating the 'Nomination and Remuneration Policy, ensure that—
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
 - d. Nomination and remuneration policy shall be placed on the website of the Company and the salient features of the policy and changes therein, if any, along with the web address of the policy, shall be disclosed in the Board's report.
6. Annual review of the salary, bonus and other compensation plans of the CEO, CFO and Senior Management team of the Company.
7. Review and approve the salary, bonus and compensation plans for all the executive directors of the Company.
8. Framing suitable policies and systems to ensure that there is no violation, by an employee or Company of any applicable laws in India or overseas, including:
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003.
9. Administer the implementation and award of stock options under the stock option plans of the Company.
10. Perform such functions as are required to be performed by the Compensation Committee under Clause 5 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
11. Recommend to the Board of Directors of the Company on any other employment incentives as the committee deems it appropriate in the best interests of the Company.

12. Chairperson of the Committee or, in his/her absence, any other member of the committee authorized by him/her in this behalf shall attend the general meetings of the Company.
13. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the Company's articles of association, or directive of the Board.
14. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval.
15. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.
16. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Meetings

During the financial year ended March 31, 2019, Three meetings of the Nomination and Compensation Committee were held. The details of the same are as follows:

Sl. No	Name of Director	Meetings/Attendance		
		16-May-2018	26-Jul-2018	29-Oct-2018
1	Nancy Cruickshank – Chair	Present	Present	Present
2	Sanjay Kapoor – Member	Present	Present	Present
3	Chris Arsenault – Member	AC*	Present	Present
4	Gianluca D'Agostino – Member ¹	NA	NA	Present

Not Applicable (NA)

*AC-Audio Conference

¹ Gianluca D'Agostino was appointed as a member in the Committee w.e.f. July 27, 2018

Remuneration Policy

The Nomination and Remuneration policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 forms part of the Directors report. The Company's remuneration policy is based on the performance of the individual employee and the success of the Company.

Through its compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay and sharing of wealth through the Company's stock options. Individual performance pay is determined by combination of individual and business performance of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) to its Whole time Director(s). Annual increments are decided by the Nomination and Compensation Committee/Board of Directors. The shareholders at the Annual General Meeting held on September 18, 2018 approved the payment of remuneration to the non-executive directors, in addition to the sitting fees to be paid for attending the meetings of the Board or Committees thereof, in aggregate not exceeding an amount equal to 5% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 or ₹ 15 million, whichever is higher for each financial year commencing on or after April 1, 2018 and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time. Apart from the said remuneration the non-executive directors are also entitled to a sitting fee of ₹ 100,000/- per meeting for attending the Board and Committee meetings.

Details of Remuneration paid to Executive Directors / Non-Executive Directors during the financial year 2018-19

These details are provided in (Annexure VI) the extract of the Annual Return, annexed to the Directors Report in Form MGT-9 as required under the provisions of Section 92 of the Companies Act, 2013.

Service contracts, notice period, severance fees

The tenure of office of the Executive Chairman and CEO is for five years from the date of his initial appointment (i.e. November 1, 2014) and can be terminated by either party by giving 90 days mutual notice period. There is no separate provision for payment of severance fees.

François-Charles Sirois is being re-appointed as Executive Chairman of the Company for a period of five years w.e.f. November 1, 2019 and approval of shareholders is being sought at the forthcoming AGM.

Non-Executive/Independent Directors' Compensation and Disclosures

The Company has laid down the criteria for making payments to the Non-Executive Directors. The details of such criteria are available in the Remuneration Policy disseminated on the website of the Company at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Nomination_and_Remuneration_Policy.pdf

Stock Options to the Directors

As on March 31, 2019, the details of stock options held by the directors are given below:

Name of the Director	Category	ESOP Plan	Grant date	No. of options granted	Grant Price	Outstanding options	Remarks
Rajiv Khaitan	Independent Director	Plan III, 2008	15-May-2013	25,000	40.05	25,000	Stock options granted much before notification of Companies Act, 2013. Out of 25,000 options 6,250 options lapsed on May 15, 2019.

No stock options were granted to any other Director.

3. Stakeholders Relationship Committee

Composition

As on March 31, 2019, the Committee consisted of the following four (4) directors:

1. Rajiv Khaitan- Chair
2. Sanjay Baweja
3. Sanjay Kapoor
4. Gianluca D'Agostino

All the four members including the Chairman are independent directors.

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee include the following:

1. The Committee shall resolve the grievances of the security holders of the Company 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. The Committee shall review measures taken for effective exercise of voting rights by shareholders.
3. The Committee shall review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. The Committee shall review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. The Committee may do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Meetings

During the financial year ended March 31, 2019, three meetings of the Stakeholders Relationship Committee were held. The details of the same are as follows:

Sl. No	Name of Director	Meetings/Attendance		
		16-May-2018	26-Jul-2018	29-Oct-2018
1	Rajiv Khaitan – Chair	Present	Present	Present
2	Sanjay Baweja – Member	Present	Present	Present
3	Sanjay Kapoor – Member	Present	Present	Present
4	Gianluca D'Agostino – Member ¹	NA	NA	Present

Not Applicable (NA)

¹ Gianluca D'Agostino was appointed as a member in the Committee w.e.f July 27, 2018

The particulars of shareholder's complaints received and disposed off during the financial year 2018-19 are as follows:

Name of non-executive director heading the Committee	Rajiv Khaitan-Independent Director
Name and Designation of Compliance Officer	P V Varaprasad, Company Secretary
Number of shareholder complaints received during the year	34
Number of shareholder complaints resolved during the year	34
Number of shareholder complaints pending	Nil
Number of pending share transfers	Nil

Reconciliation of Share Capital Audit

The Company conducts a reconciliation of share capital audit on a quarterly basis in accordance with requirements of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

The Reconciliation of Share Capital Audit Report obtained from Parameshwar G. Hegde of M/s. Hegde & Hegde, Company Secretaries, which has been submitted to the Stock Exchanges within the stipulated period, certifies that the equity shares of the Company held in the dematerialized form and in the physical form conforms to the issued and paid up equity share capital of the Company.

Secretarial Compliance Certificate about transfer of shares in physical form

As per the provisions of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the Secretarial Compliance Certificate on half yearly basis from Parameshwar G. Hegde of M/s. Hegde & Hegde, Company Secretaries, to the effect that all transfers of shares held in physical form are effected within stipulated time. The certificate has been submitted to the Stock Exchanges within the prescribed time.

Secretarial Audit Report as per Reg. 24A of SEBI (LODR) Regulations, 2015

As per Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a Company secretary in practice, in such form as may be specified with effect from the year ended March 31, 2019. Accordingly, the Company has obtained the said Secretarial Audit report from Parameshwar G Hegde of M/s. Hegde & Hegde, Company Secretaries and the same is annexed to the Directors report.

Further, pursuant to above said SEBI circular, listed entities shall additionally, on an annual basis, require a check by the Practicing Company Secretary on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, consequent to which, the Practicing Company Secretary shall submit a report to the listed entity in the manner specified in this circular. The Company has obtained annual secretarial compliance report from Parameshwar G Hegde of M/s. Hegde & Hegde, Company Secretaries for the financial year ended march 31, 2019 and same has been submitted to the stock exchanges within the stipulated time, copy of which is appended to this report.

4. Corporate Social Responsibility Committee Composition

As on March 31, 2019, the Corporate Social Responsibility Committee consisted of the following three (3) directors:

1. Rajiv Khaitan - Chair
2. Chris Arsenault
3. Nancy Cruickshank

All the three members of the Committee including the Chairman are independent directors.

Terms of Reference

The CSR committee shall decide the focus areas of the Company's CSR policy from the list of activities given in Schedule VII of the Companies Act, 2013.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. The Committee shall formulate and recommend to the Board, a 'Corporate Social Responsibility Policy'

('CSR Policy') which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

2. The Committee shall recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy.
3. The Committee shall monitor the CSR Policy of the Company from time to time.
4. The Committee will be responsible for reviewing and overseeing CSR Policy and political and environmental trends and public policy issues that affect or could affect the Company's business activities, performance, public image and responsibilities under Indian Law.
5. The Committee will provide overview of and make recommendations to the Board regarding the Company's response to shareholder proposals that relate to corporate social responsibility issues.
6. The Committee will assist the Board in determining how the Company can anticipate and adjust to corporate social responsibility and public policy trends in order to more effectively achieve its goals.
7. The Committee will offer advice and counsel to management regarding the effectiveness of the Company's corporate social responsibility programs and corporate citizenship.
8. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the Company's articles of association, or directive of the Board.
9. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval.
10. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.

Meetings

During the financial year ended March 31, 2019, three meetings of the Corporate Social Responsibility Committee were held. The details of the same are as follows:

Sl. No	Name of Director	Meetings/Attendance		
		16-May-2018	26-Jul-2018	29-Oct-2018
1	Rajiv Khaitan – Chair	Present	Present	Present
2	Chris Arsenault – Member	AC*	Present	Present
3	Nancy Cruickshank – Member	Present	Present	Present

*AC-Audio Conference

The CSR committee charter and the CSR policy of the Company is available on the website at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Corporate_Social_Responsibility_Policy.pdf

5. Risk Management Committee

Composition

As on March 31, 2019, the Risk Management Committee consisted of the following four (4) directors:

1. Sanjay Kapoor - Chair
2. François-Charles Sirois
3. Nancy Cruickshank
4. Sanjay Baweja

All the members of the Committee except François-Charles Sirois are Independent Directors.

Terms of Reference

The terms of reference of the Risk Management Committee include the following:

1. The Committee shall annually review and approve the Risk Management Policy and associated frameworks, processes and practices of the Company.
2. The Committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
3. The Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).
4. The Committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
5. The Committee shall make regular reports/recommendations to the Board.
6. The Committee shall review and reassess the adequacy of its Charter annually and recommend any proposed changes to the Board for approval.
7. The Committee shall monitor and review the matters relating to cyber security.

Meetings

During the financial year ended March 31, 2019, three meetings of the Risk Management Committee were held. The details of the same are as follows:

Sl. No	Name of Director	Meetings/Attendance		
		16-May-2018	26-Jul-2018	29-Oct-2018
1	Sanjay Kapoor – Chair	Present	Present	Present
2	François-Charles Sirois – Member	Present	Present	Present
3	Nancy Cruickshank – Member	Present	Present	Present
4	Sanjay Baweja – Member	Present	Present	Present

INDEPENDENT DIRECTORS

As on March 31, 2019, the Board consists of 6 independent directors, out of them one is a woman director. The Independent Directors meet at least once every financial year without the presence of Executive Directors or management personnel to discuss matters pertaining to the Company's affairs, evaluation of performance of the Board and their own performance and place their views regarding governance of the Company at the Board. During the year, a separate meeting of the independent directors was held on May 16, 2018, without the presence of any other director / management personnel.

Board Evaluation

The independent directors reviewed the matters as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and the Guidance note issued by SEBI on January 5, 2017 viz. reviewed the performance of non-independent directors and the Board as a whole, reviewed the performance of the Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the management and the Board of Directors.

Succession Planning

An adequate plan is in place for orderly succession for appointment to the Board of Directors and Senior Management. However, the Board of Directors during the Board evaluation process recommended an improvement of the plan.

Role, duties and responsibilities of Independent Directors

The independent directors, along with other directors are also responsible for meeting the following objectives of the Board:

1. Compliance with the requirements of Companies Act, 2013,
2. Discharge of "Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
3. Accountability under the Director's Responsibility Statement,

4. Overseeing the enforcement of high standards of values and ethical conduct of business,
5. Overseeing the Company's contribution to enhancing the quality of life of communities,
6. Abide by the 'Code for Independent Directors' under Schedule IV of Companies Act, 2013 and the duties of directors provided under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The letters of appointment have been issued to all the independent directors of the Company on their appointment and the terms and conditions of appointment is disclosed on the website of the Company.

Familiarization programme for Independent Directors

Company has in place a familiarization programme for independent directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates and business model of the Company. A copy of the familiarization programme for independent directors and the details of familiarization programme imparted to independent directors during FY 2018-19 is available on the website at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Familiarization_programme_for_Independent_Directors.pdf

In the opinion of the Board, the independent directors fulfill the conditions specified in the Listing Regulations and that of Companies Act, 2013 and are independent of the management.

SUBSIDIARY COMPANIES

The financials of the subsidiary companies have been duly reviewed by the audit committee and the Board of the holding Company as part of consolidated financial statements. The board minutes of the unlisted subsidiary companies have been placed before the Board of the holding company. The holding company's Board is also periodically informed about all significant transactions and arrangements entered into by the subsidiary companies.

The Company has also formulated a policy for determining a material subsidiary which stipulates inter-alia:

1. Disposal of Material Subsidiary: The Company, without the prior approval of the members by Special Resolution, shall not:
 - a. dispose shares in Material Subsidiaries that reduces its shareholding (either on its own or together with other subsidiaries) to less than 50%; or
 - b. cease the exercise of control over the Subsidiary; or
 - c. sell, dispose or lease the assets amounting to more than twenty percent of the assets of the material subsidiary
2. One Independent Director of the Company shall be a director on the Board of the Material Non-Listed Indian Subsidiary Company.
3. The Audit Committee of Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company on an annual basis.
4. The minutes of the Board Meetings of the unlisted subsidiary companies shall be placed before the Board of the Company on a periodical basis.
5. The management shall periodically bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary Company.
6. The management shall present to the Audit Committee annually the list of such subsidiaries together with the details of the materiality defined herein. The Audit Committee shall review the same and make suitable recommendations to the Board including recommendation for appointment of Independent Director in the Material Non-Listed Indian Subsidiary.

This policy has been put up on the website of the Company and available at the web link:

http://www.onmobile.com/sites/default/files/cg_policy/Policy_on_determining_Material_Subsidiaries.pdf

GENERAL BODY MEETINGS

The details of the Annual General Meetings held in the last three years are as follows:

Financial Year	Venue	Date and Time	Special Resolutions passed
2015-16	The Ritz-Carlton Hotel, 99, Residency Road, Ashok Nagar, Bengaluru, Karnataka-560 025	September 14, 2016 at 3.00 p.m.	<ol style="list-style-type: none"> 1. Appointment of Rajiv Pancholy, Managing Director and CEO of the Company as Director/Manager/Consultant/Employee in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company 2. Appointment of François-Charles Sirois, Executive Chairman of the Company as Director/Manager/Consultant/Employee in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company

Financial Year	Venue	Date and Time	Special Resolutions passed
2016-17	Hotel Royal Orchid, adjoining KGA Golf course, HAL Airport Road, Bengaluru – 560 008	September 6, 2017 at 11.00 a.m	<ol style="list-style-type: none"> 1. Re-appointment of Rajiv Khaitan as an Independent Director 2. Re-appointment of Nancy Cruickshank as an Independent Director 3. Appointment of François-Charles Sirois, Executive Chairman as Chief Executive Officer and re-designate as 'Executive Chairman and CEO' and payment of remuneration thereof 4. Adoption of new Articles of Association of the Company in conformity with the Companies Act, 2013
2017-18	Hotel Royal Orchid, adjoining KGA Golf course, HAL Airport Road, Bengaluru – 560 008	September 18, 2018 at 11.00 a.m	<ol style="list-style-type: none"> 1. Re-appointment of Sanjay Baweja as an Independent Director 2. Payment of remuneration to non-executive directors of the Company

During the year ended March 31, 2019, no special resolutions were passed through postal ballot

DISCLOSURES

(1) Related Party Transactions

There are no materially significant related party transactions with the promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large. Transaction with related parties is disclosed in the financial statements in Note No. 33 for the year ended March 31, 2019. The detailed information on materially significant related party transactions is in AOC-2 attached to the Board's Report. The Company has formulated a policy on dealing with Related Party Transactions. The same is available on the website at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Policy_for_dealing_with_Related_Party_Transactions.pdf

(2) Non-compliances

There has been no instance of non-compliance by the Company on any matter related to Capital Market during last three financial years and no penalties or strictures were imposed by SEBI, Stock Exchanges or any other concerned authorities. The Company has complied with applicable rules and regulations prescribed by Stock Exchanges, SEBI or any other statutory authority relating to the capital markets. All returns/ reports were filed within the prescribed time with Stock Exchanges/ other authorities.

Referring to the inspection of books of account and other records of the Company during the years 2015-16 and 2016-17 by the Ministry of Corporate Affairs, the Company received five show cause notices and one adjudication notice during the year for violation of few sections of the Companies Act, 1956 and the Companies Act, 2013. Detailed explanation about the same is provided in the Board's Report.

(3) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 34(3) read with Para C of Schedule V of

the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The said mechanism has provided protection to whistleblower from adverse personnel action. The details of establishment of such mechanism are disclosed on the below link:

http://www.onmobile.com/sites/default/files/policy/OnMobile_Whistle_Blower_Policy.pdf

(4) Chairperson

The Company does not carry multiple businesses. Accordingly, the Company has appointed Francois Charles Sirois, Executive Chairman as Chief Executive Officer and re-designated as 'Executive Chairman and CEO' of the Company w.e.f. March 1, 2017.

François-Charles Sirois is being re-appointed as Executive Chairman of the Company for a period of five years w.e.f. November 1, 2019 and approval of shareholders is being sought at the forthcoming AGM.

As per provisions of Regulation 17(1B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f. April 1, 2020, the top 500 listed entities on the basis of market capitalisation, as at the end of the immediate previous financial year, shall ensure that the chairperson of the board of such listed entity shall (a) be a non-executive director; (b) not be related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.

The said regulation is applicable w.e.f. April 1, 2020. Moreover, the Company is not in the list of top 500 listed Companies as on March 31, 2019. Hence, the proposed re-appointment of Francois Charles Sirois as Executive Chairman is not impacted by the provisions of said Regulation 17(1B).

(5) The Company has complied with all the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(6) The Company has also complied with the following discretionary requirements specified in Part E of Schedule II in terms of Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- Modified opinion(s) in Audit Report: Company's financial statements have unmodified audit opinions.
- Reporting of Internal Auditor: The Internal Auditors of the Company directly report to the Audit Committee.

(7) Accounting Treatment in preparation of Financial Statements

The guidelines/ accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of the financial statements of the Company in all material respects.

(8) Code of Conduct

The Company has adopted 'Code of Business Conduct and Ethics' (Code). This code is applicable to all the employees of the Company, Board of Directors of the Company and its subsidiaries. The Code incorporates the duties of the independent directors. A copy of the said Code of Conduct is available at the below link:

http://www.onmobile.com/sites/default/files/Code_of_Conduct.pdf

All Board Members and senior management personnel have confirmed compliance with the Code of Conduct for the financial year 2018-19. A declaration to this effect signed by the Executive Chairman and CEO of the Company is attached.

(9) Compliance of Prohibition of Inside Trading Regulations

The Company has comprehensive guidelines on prohibiting insider trading and the Company has adopted (i) the Code of conduct to regulate, monitor and report trading by designated employees, (ii) the Code of practices & procedures for fair disclosures of unpublished price sensitive information, and (iii) the Policy for procedure of enquiry in case of leak of unpublished price sensitive information as notified by SEBI.

(10) Statutory Auditors Fees:

B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

(in million)

Particulars	Amount
For Audit	2.85
For Taxation matters	0.50
Other services	2.90
Reimbursement of expenses and levies	0.81
Total	7.06

(11) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

No. of complaints filed during the financial year	1
No. of complaints disposed of during the financial year	1
No. of complaints pending as on end of the financial year	0

MANAGEMENT DISCUSSION AND ANALYSIS

As required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on the Management's discussion and analysis is attached and forms part of this Annual report.

CEO AND CFO CERTIFICATION

Compliance Certificate by Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached in the Annual Report.

CERTIFICATE OF COMPLIANCE FROM COMPANY SECRETARY IN PRACTICE UNDER CLAUSE 10 OF PARA C OF SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

As per the provisions of Clause 10 of Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority shall be disclosed in the Corporate Governance Report. The Company has obtained the certificate accordingly from Parameshwar G Hegde of M/s. Hegde & Hegde, Company Secretaries for the financial year ended March 31, 2019, copy of which is appended to this report.

AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE

In terms of Para E of Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditor's certificate on compliance of conditions of Corporate Governance is attached.

In addition to the auditor's certificate, a certificate of compliance from independent practicing company secretary as stipulated under the Regulations, is also obtained and attached to the Annual Report.

MEANS OF COMMUNICATION

Quarterly results: The Company's quarterly results are published in the newspapers namely The Financial Express (English) and Hosadigantha (Kannada) and are further posted on the Company's website (www.onmobile.com), BSE website (www.bseindia.com) and NSE website (www.nseindia.com).

News releases: Official news releases and official media releases are sent to Stock Exchanges.

Presentations to institutional investors / analysts: Presentations made to the institutional investors and analysts after the declaration of the quarterly, half yearly and annual results are displayed on the Company's website (www.onmobile.com).

Website: The Company's website (www.onmobile.com) contains a separate dedicated section 'Investors' where shareholders' information is available. The Company's Annual Report is also available on the website in user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website (www.onmobile.com).

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, financial results, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, financial results, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. The Company has registered itself on SCORES and adequate steps are taken for expeditious redressal of investor complaints received through SCORES or otherwise.

GENERAL SHAREHOLDER INFORMATION

Registrar and Share Transfer Agents

Karvy Fintech Private Limited, having its registered office at Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, India are the Registrars for the

demat segment and also the share transfer agents of the Company, to whom communications regarding share transfer and dematerialization/rematerialisation requests must be addressed. All matters connected with share transfer, transmission, dividend payment are handled by the share transfer agent. Share transfers are processed within 15 days of lodgement.

Information in respect of remittance into Investor Education and Protection Fund

IPO Application money: In terms of Section 125 of Companies Act, 2013, the application money received by companies for allotment of any securities and due for refund are required to be transferred to Investor Education and Protection Fund (IEPF) after a period of seven years. The application money received by the Company at the time of IPO in the financial year 2007-2008 due for refund amounting to ₹ 232,845/- that was lying in the unpaid account, was transferred to IEPF in the Financial year 2014-15 and the necessary returns/disclosures were filed with the Ministry of Corporate Affairs.

Unpaid dividend: In terms of Section 124 of Companies Act, 2013, dividends that are not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account, be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. The Company has been paying dividend for the past seven financial years i.e. 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18. Accordingly, the transfer of unpaid dividend amount to IEPF will arise during the FY 2019 - 20.

Information in respect of Unclaimed Dividends due for remittance into IEPF is given below:

Financial Year	Date of declaration	Date of transfer to special account	Due date for transfer to the IEPF
2011-12	29-Aug-2012	05-Oct-2012	05-Oct-2019
2012-13	30-Jul-2013	05-Sep-2013	05-Sep-2020
2013-14	10-Sep-2014	17-Oct-2014	17-Oct-2021
2014-15	08-Sep-2015	08-Oct-2015	08-Oct-2022
2015-16	14-Sep-2016	14-Oct-2016	14-Oct-2023
2016-17	06-Sep-2017	13-Oct-2017	13-Oct-2024
2017-18	18-Sep-2018	19-Oct-2018	19-Oct-2025

Disclosure in respect of equity shares transferred in the unclaimed suspense account

Pursuant to the requirement of Regulation 34(3) and Para F of Schedule V of SEBI (LODR) Regulations, 2015 the following table provides details in respect of the equity shares lying in the suspense account.

The voting rights on shares lying in unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

Details	No. of Shareholders	No. of Shares
No. of shares in the unclaimed suspense account as on 1st April 2018.	7	338
Less: No. of shares transferred to the shareholders on request during the year.	0	0
Less: No of shareholders to whom shares were transferred from suspense account during the year	0	0
No. of shares in the unclaimed suspense account as on 31st March 2019.	7	338

CONTACT INFORMATION

Registered and Corporate Office:

OnMobile Global Limited

Tower#1, 94/1C & 94/2, Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City Phase 1, Bengaluru - 560 100, Karnataka, India
T: + 91 80 40096000
F: + 91 80 4009 6009
CIN: L64202KA2000PLC027860
<http://www.onmobile.com>

Other Locations

Mumbai: CoWrks, Birla Centurion, Pandurang Budhkar Marg, Century Mills, Worli, Mumbai, Maharashtra 400030.
Phone: 088800 00218

Gurgaon: Time Tower, #003, Ground Floor, M G Road (Opp. Gurgaon Central Mall), Gurgaon- 122002.
Phone: 0124-4130000,
0124-4130099(Fax)

SEZ Office- Bengaluru: RMZ Eco world, Building # 1, 4th Floor, SEZ – Varthur Hobli, Devarabeesanahalli Village, Outer Ring Road, Bengaluru – 560103

Representing Officers of the Company

Correspondence to the following officers may be addressed at the registered office of the Company.

Company Secretary and Compliance Officer

P V Varaprasad - Company Secretary
T: + 91 80 4009 6000
F: + 91 80 4009 6009
E: investors@onmobile.com

Nodal officer IEPF

P V Varaprasad - Company Secretary
T: + 91 80 4009 6000
F: + 91 80 4009 6009
E: investors@onmobile.com

Investor Relations – Institutional

Radhika Venugopal - Director, Finance
T: + 91 80 4009 6000
F: + 91 80 4009 6009
E: investors@onmobile.com

Public Relations

Calvin John – Director – Brand Management, Corporate Marketing
T: + 91 80 4009 6000
F: + 91 80 4009 6009
E: calvin.john@onmobile.com

Listing details	<p>The shares of the Company are listed on:</p> <p>BSE Limited Phiroze Jheejheebhouy Towers, Dalal Street, Fort, Mumbai – 400 001</p> <p>National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051</p> <p>The Company has paid the listing fees at both the exchanges for the FY 2019-20 and complied with the listing requirements.</p>
Stock code	<p>National Stock Exchange of India Limited (NSE) – ONMOBILE BSE Limited (BSE) – 532944</p>
ISIN allotted by Depositories (Company ID Number)	INE809I01019
Forthcoming Annual General Meeting (AGM)	<p>The Nineteenth Annual General Meeting (AGM) of the Members of OnMobile Global Limited will be held on Tuesday, September 17, 2019 at The Chancery Pavilion Hotel, 135, Residency Road, Bengaluru- 560025, Karnataka, India at 11.30 a.m IST.</p>

Financial Calendar (tentative and subject to change)	Event	Likely Board Meeting Schedule
	Financial reporting for the quarter ending June 30, 2019	End of July 2019/ Beginning of August 2019
	Financial reporting for the quarter ending September 30, 2019	End of October 2019/ Beginning of November 2019
	Financial reporting for the quarter ending December 31, 2019	End of January 2020/ Beginning of February 2020
	Financial reporting for the quarter/year ending March 31, 2020	End of May 2020
Book Closure Date(s)	From September 11, 2019 to September 17, 2019 (both days inclusive)	
Dividend Payment Date	within 30 days from the date of AGM	
Registrars and Share Transfer Agents	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot No. 31&32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 T: +91 40 6716 2222 F :+91 40 2342 0814 Email id: einward.ris@karvy.com	
Depository System	Currently 99.90% of the Company's share capital is held in dematerialised form. For any assistance in conversion of the physical shares to demat form or vice versa, the investors may approach Karvy Fintech Private Limited at the address mentioned above.	
Email ID of Grievance Redressal Division	einward.ris@karvy.com investors@onmobile.com	

Distribution Schedule

Distribution of Shareholding as on 31/03/2019 (TOTAL)						
Sl No	Category (Amount)	No. of Holders	% To Holders	No. of shares held	Amount(₹)	% To Equity
1	1 - 5000	28,598	80.59	4,130,594	41,305,940.00	3.91
2	5,001 – 10,000	3,037	8.56	2,494,168	24,941,680.00	2.36
3	10,001 – 20,000	1,702	4.80	2,633,091	26,330,910.00	2.49
4	20,001 – 30,000	630	1.77	1,625,919	16,259,190.00	1.54
5	30,001 – 40,000	275	0.77	993,811	9,938,110.00	0.94
6	40,001 – 50,000	311	0.88	1,486,034	14,860,340.00	1.40
7	50,001 – 100,000	455	1.28	3,420,206	34,202,060.00	3.24
8	10,0001 and above	478	1.35	88,912,379	889,123,790.00	84.12
	TOTAL:	35,486	100.00	105,696,202	1,056,962,020.00	100

Shareholding Pattern as on March 31, 2019

Description	No. of shareholders	Total shares	% to equity
Promoter and Promoter group	1	50,923,703	48.18
Mutual Funds /UTI	0	0	0.00
Financial Institutions /Banks	2	1,242,265	1.18
NBFCs registered with RBI	5	26,807	0.03
Foreign Portfolio Investors	7	1,777,426	1.68
Bodies Corporate	357	12,762,713	12.07
Individuals	34,499	37,458,442	35.44
Foreign Nationals	20	133,090	0.13
Clearing Members	62	162,046	0.15
Non Resident Indians	340	717,395	0.68

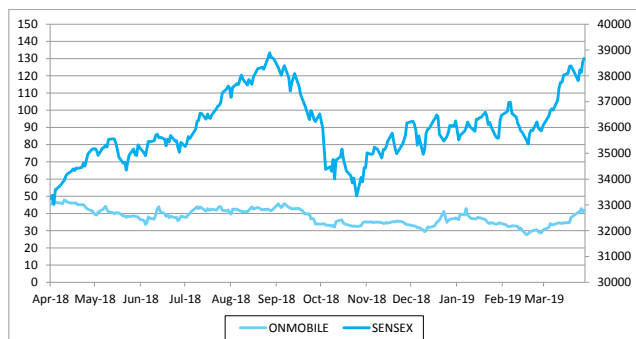
Description	No. of shareholders	Total shares	% to equity
Non Resident Indian Non Repatriable	190	489,114	0.46
Trusts	3	3,201	0.00
TOTAL	35,486	105,696,202	100

Stock Market Data

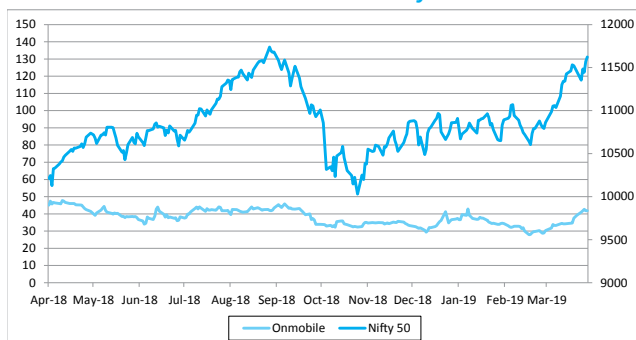
Monthly high and low quotes during each month in the financial year 2018-19 as well as the volume of shares traded on NSE and BSE are as below:

Financial Year 2018-19	BSE			NSE		
Month	High (₹)	Low (₹)	Total Traded Quantity	High (₹)	Low (₹)	Total Traded Quantity
April	50.40	41.20	674,836	50.40	41.25	7,262,759
May	44.60	37.00	717,354	45.00	37.35	6,983,514
June	44.35	32.90	1,231,046	44.50	32.95	10,541,334
July	45.90	36.50	744,437	46.50	36.50	7,127,685
August	44.65	39.25	468,819	44.50	39.15	3,655,294
September	47.00	33.45	307,636	47.15	33.60	3,467,118
October	37.70	31.85	476,518	38.40	31.75	4,127,587
November	36.55	33.00	175,171	36.60	32.90	2,416,499
December	43.00	29.20	789,657	43.30	29.10	9,457,589
January	44.45	33.60	864,908	44.55	33.75	7,784,055
February	34.90	27.25	331,907	35.10	27.35	2,627,098
March	44.00	29.55	608,420	43.95	29.05	7,575,188

OnMobile Global Limited vs BSE (Sensex)



OnMobile Global Limited vs NSE (Nifty)



Investor Grievance and Share Transfer

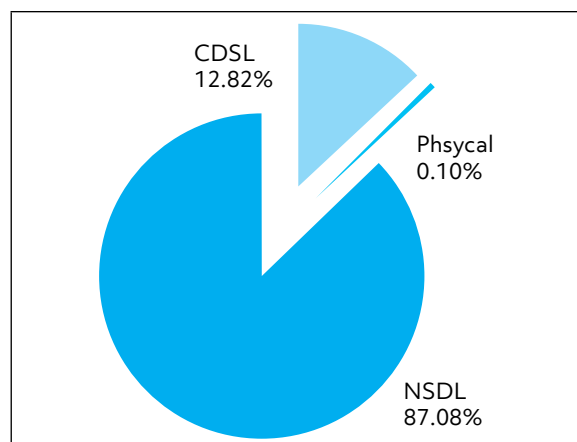
The Company has a Stakeholders Relationship Committee of the Board to examine and redress shareholders' and investor complaints. The status on share transfers is reported to the Board by the Company Secretary. Details of complaints received and their nature is provided below. The Company Secretary receives the share transfers and reports the same to the committee at their meeting. For matters regarding shares transferred in physical form, share certificates, dividends, change of address, etc., shareholders should communicate with Karvy Fintech Private Limited, our Registrar and Share transfer agent. The address is given in the section on 'Shareholder information'. For shares transferred in electronic form, after confirmation of sale/purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to register the share transfer.

For the year under review, the summary of the stakeholders'/ investors grievances/requests are as below:

Sl. No.	Description	Received	Resolved	Pending
1.	Non receipt of electronic credits	0	0	0
2.	Non receipt of annual reports	6	6	0
3.	Non receipt of dividend warrants	25	25	0
4.	Non receipt of Refund orders	0	0	0
5.	Non receipt of securities	0	0	0
6.	Stock Exchanges- NSE	3	3	0
7.	Stock Exchanges- BSE	0	0	0
8.	SEBI	0	0	0
	TOTAL	34	34	0

Dematerialization of Shares

The Company's shares are admitted into both the depositories viz., National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2019, 99.90% of the Company's shares are held in electronic form.



Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs / ADRs / Warrants / Convertible Instruments of the Company and hence, the same is not applicable to the Company.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure as required under SEBI (LODR) Regulations, 2015 is not applicable.

Forward contracts are booked in India to hedge net foreign currency exposure against movement in foreign exchange rates. Company doesn't follow hedge accounting. Marked to market impact on outstanding forward contracts is recognized in profit and loss account.

CERTIFICATE OF COMPLIANCE FROM COMPANY SECRETARY IN PRACTICE UNDER CLAUSE 10 OF PART C OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of **Onmobile Global Limited** (CIN: L64202KA2000PLC027860) I hereby certify that.

On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on **March 31, 2019**, none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

P G Hegde
Hegde & Hegde
Company Secretaries
FCS : 1325/C.P.No:640

Place: Bengaluru
Date: May 24, 2019

CERTIFICATE OF COMPLIANCE FROM AUDITORS AND/OR INDEPENDENT COMPANY SECRETARY AS STIPULATED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Independent Auditors' Certificate on Corporate Governance

To

The Members of OnMobile Global Limited

The Certificate is issued in accordance with the terms of our engagement letter dated 05 December 2018.

We have examined the compliance of conditions of Corporate Governance by OnMobile Global Limited, for the year ended 31 March 2019, as per regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"] as amended from time to time, pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

The Company's Management is responsible for compliance of conditions of Corporate Governance including the preparation and maintenance of all relevant supporting records and documents as stipulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations.

Auditors' Responsibility

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2019.

We conducted our examination of the corporate governance compliance by the Company as per the Guidance Note on Reports or Certificates for Special purposes (Revised 2016), Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

This Certificate has been solely issued for the purpose of complying with the aforesaid Listing Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or 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 save where expressly agreed by our prior consent in writing.

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Bengaluru

Membership number: 060573

24 May 2019

Unique Document Identification Number
(UDIN): 19060573AAAAAR7905

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Board of Directors

OnMobile Global Limited,

Electronic City,

Bangalore.

We have examined all relevant records of **ONMOBILE GLOBAL LIMITED** (CIN: L64202KA2000PLC027860) (the Company), for the purpose of certifying compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended March 31, 2019.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulations. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our findings recorded in the annexed report from the examination of the records produced and explanations and information furnished to us, in our opinion the Company has complied with the requirements of Corporate Governance as stipulated in Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended March 31, 2019.

P G Hegde

Hegde & Hegde

Company Secretaries

FCS : 1325/C.P.No:640

Place: Bangalore

Date: May 24, 2019

ANNUAL SECRETARIAL COMPLIANCE REPORT AS PER REGULATION 24A OF SEBI (LODR) REGULATIONS, 2015

Secretarial compliance report of OnMobile Global Limited for the year ended March 31, 2019

I have examined:

- (a) all the documents and records made available to me and explanation provided by OnMobile Global Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **March 31, 2019** ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (there were no events requiring compliance during the Review Period)
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (there were no events requiring compliance during the Review Period)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

- (f) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (there were no events requiring compliance during the Review Period)
- (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (there were no events requiring compliance during the Review Period)

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- (c) There were no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- (d) The reporting of actions by the listed entity to comply with the observations made in previous reports does not arise during the Review Period.

P.G.Hegde
FCS:1325/C.P.NO :640

Place: Bengaluru
Date: May 15, 2019

DECLARATION BY THE EXECUTIVE CHAIRMAN AND CEO UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH CODE OF CONDUCT

To the Members of OnMobile Global Limited

In accordance with Regulation 34(3) and Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has in respect of the year ended March 31, 2019, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

François-Charles Sirois
Executive Chairman and CEO
DIN:06890830

Place: Montreal, Canada
Date: May 24, 2019

CEO AND CFO CERTIFICATION

In pursuance of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we, François-Charles Sirois, Executive Chairman and Chief Executive Officer and Ganesh Murthy, Chief Financial Officer of OnMobile Global Limited, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
 - (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (i) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

François-Charles Sirois
Executive Chairman and CEO
DIN: 06890830

Ganesh Murthy
Chief Financial Officer

Date: May 24, 2019
Place: Montreal

Board's Report

Dear Shareholders,

The Board of Directors are pleased to present the 19th Annual Report on the business and operations of the Company together with the audited standalone and consolidated financial statements for the year ended March 31, 2019.

RESULTS OF OPERATIONS FOR THE YEAR 2018-19

Summary of the operations of the Company on standalone basis and consolidated basis for the financial year 2018-19 is as follows:

(In ₹ Million)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from operations	2,295.20	2,506.32	5,938.64	6,356.05
Earnings/(Loss) before other income, depreciation and amortization, finance charges, Exceptional item and tax	(64.18)	(148.30)	295.98	649.28
Exceptional item	12.70	-	-	14.78
Profit/(Loss) before other income, depreciation and amortization, finance charges and tax	(76.88)	(148.30)	295.98	634.50
Profit/(Loss) before tax	373.41	421.24	313.12	277.14
Profit/(Loss) for the year	328.02	388.96	188.87	113.45
Total Comprehensive Income for the year	337.21	424.47	62.09	236.72
Equity Share Capital	1,056.96	1,055.71	1,056.96	1,055.71
Other Equity	6,213.00	6,044.23	4,600.96	4,707.31
Networth	7,269.96	7,099.94	5,657.92	5,763.02
Net Block	142.18	259.65	929.20	321.94
Net Current Assets	2,571.69	2,895.10	2,713.86	3,358.11
Cash and Cash Equivalents (including other bank balances and current investments)	2,223.29	1,947.45	2,722.54	3,051.62
Earnings/ (Loss) per share (Diluted) (In ₹)	3.10	3.71	1.79	1.08

BUSINESS PERFORMANCE / FINANCIAL OVERVIEW

Standalone Financials

During 2018-19, the Company recorded net revenue of ₹ 2,295.20 million, as compared to ₹ 2,506.32 million in 2017-18. The Profit after tax of the Company is ₹ 328.02 million in 2018-19 as compared to ₹ 388.96 million in 2017-18. The diluted Earnings Per Share (EPS) is ₹ 3.10 per share in 2018-19 as compared to ₹ 3.71 per share in 2017-18.

Consolidated Financials

During 2018-19, the Company recorded consolidated net revenue of ₹ 5,938.64 million, as compared to ₹ 6,356.05 million in 2017-18. The consolidated Profit after tax of

the Company for the year 2018-19 is ₹ 188.87 million as compared to ₹ 113.45 million in 2017-18. The consolidated diluted Earnings Per Share (EPS) for the year 2018-19 is ₹ 1.79 as compared to ₹ 1.08 per share in 2017-18.

Appropriations

Dividend

Your directors are pleased to recommend the following dividend for the financial year ended March 31, 2019 which is payable on obtaining the shareholders' approval in the 19th Annual General Meeting scheduled on September 17, 2019:

Particulars of dividend	Par value (₹)	Per-centage	Dividend amount per equity share (₹)	Date of recommendation	Book Closure Date
Final Dividend	10.00	15%	1.50	May 24, 2019	September 11, 2019 to September 17, 2019 (both days inclusive)

The total dividend payout amount for the year inclusive of dividend distribution tax will be ₹ 191.13 million.

Barring unforeseen circumstances, the Board intends to maintain similar or better levels of dividend payout over the next few years. However, the actual dividend payout in each year will be subject to the investment requirements and any other strategic priorities identified by the Company.

After providing for the dividend, the Company proposes to retain ₹ 3,290.52 million in the Statement of Profit and Loss. The Company is not proposing to transfer any amount to reserves from the profits of the financial year 2018-19.

Liquidity

As on March 31, 2019 the Company had liquid assets including investments in fixed deposits and mutual funds of ₹ 2,711 million.

CHANGES TO THE SHARE CAPITAL

During the year under review, the Company allotted 125,366 equity shares (including bonus shares) on the exercise of stock options under its various Employee Stock Option Plans.

As a result of the aforesaid allotment of equity shares under ESOPs, the issued and paid-up share capital of the Company as on March 31, 2019 stands at ₹ 1,056,962,020.

SIGNIFICANT EVENTS: 2018-19

ONMO games launch

OnMobile began FY 18-19 with the launch of ONMO Games, changing the rules on how games are played on mobile phones and tablets. No longer will users pay for premium games or spend money on in-app purchases. With ONMO Games users will have access to one of the largest collections

of premium and freemium games in one service, at a low monthly subscription fee. Ideal for mobile operators, users and game developers alike, the new ONMO Games service is breaking the traditional app store distribution model.

A perfect solution for parents, ONMO games allows parents to monitor their children's activity, establish play time limits by the number of hours or time of day and restrict game types. Plus, as an added benefit, children will no longer be exposed to advertising when subscribed to this service, so parents can rest assured.

As most operators have a Triple play and Quadruple play service and start to offer a Family plan where one household bill covers multiple lines, there is a strong incentive to enhance their offering of premium services. The family-friendly ONMO Games service is ideal for telecom operators looking to improve their suite of services to households.

Strategic partnership with bKash

OnMobile entered into a strategic partnership with bKash Limited, the largest Mobile Financial Services (MFS) provider in Bangladesh, facilitating its customers to purchase premium mobile entertainment content from OnMobile platform through bKash.

OnMobile Global Limited shall leverage bKash's large consumer base to build and manage an all-encompassing & enriching mobile entertainment ecosystem, which is untapped so far and offers a high growth potential. The partnership will enable OnMobile to expand its service offerings beyond telecom users by enabling premium mobile entertainment services that are completely absent today in Bangladesh.

Acquisition of Appland AB

OnMobile has acquired Appland AB, a Swedish company in October, 2018 through OnMobile Europe BV, subsidiary of the Company. Appland AB is one of the world's most popular games and kids App Clubs subscription services. This acquisition reflects the increasing importance of OnMobile's strategy to become a leader in the fast-growing mobile games market and expands its games footprint to all continents. Appland AB is a pioneer in cloud-based mobile distribution and monetization and is headquartered in Gothenburg, Sweden. Appland today provides premium games and kids apps as a white-labeled subscription service to more than 80 carriers in over 40 countries. It also offers white-labeled App stores with curated international and local content.

Contract renewal with Telefonica Espana

In February 2019, OnMobile Global Limited renewed its contract with Telefónica España, S.A.U. (Telefonica) for another five years. Telefónica is one of OnMobile's largest customers. OnMobile has been providing videos, editorials, games and tones and a host of similar services to Telefonica's subscribers since 2012. The long-term contract renewal ensures continued revenue growth and is a testimony to the deep and trusted relationship that OnMobile has with Telefónica.

ONMO Tones

In FY 2018-2019, ONMO Tones primary focus was to explore new areas to entertain and delight people by creating immersive mobile moments while they connect over mobile. As we enhance our horizon, we believe entertainment should go beyond audio tones to video tones, stories, and video ads. This led us to revamp the baseline RBT mobile application and web apps to build an experience that is simple, intuitive and exciting while creating more value for the end user.

A newly designed Baseline 2.0 RBT android native application was live for Vodafone India on play store last year. The new user experience creates unique moments for the user through curated music, video and content editorials. Music and Video ring tone services were part of the new app to create more value for the end user.

We remain focused on increasing our digital tones service reach through operator self-care app integrations. We developed RBT SDK for both Android and iOS, which were integrated to Vodafone India and Idea self-care apps. They are live with significant contribution to digital RBT service growth.

We worked to build network-independent Video RBT service supporting trending vertical video contents. Our customers were interested during the PoC stage itself, which was the main driving factor to launch this service in Android RBT application. Monetizing digital services through other sources led us to explore video advertisement in the first few seconds during a mobile call connection stage and expand the scope of ads.

ONMO Sports

For billions of people around the world, sport is a part of the fabric of their daily life. It is the powerful emotional connect fans have with teams and players that explains why, as a market, sports is growing faster than the global GDP.

As per industry reports, millennials spend 20% of their time on OTT online video services to follow their favorite sport. In addition, over 40% millennials and non-millennials feel the need to have a sports specific digital subscription product.

ONMO Sports is a Progressive Web Application (PWA), a one-stop destination for all sports. The aim is to provide a personalized experience and enable consumers to enjoy their favorite sports anywhere and everywhere.

ONMO Sports Portal is tailored with the consumer in mind, to cater premium content and giving them the power of information through detailed match analysis. ONMO Sports offers premium editorials, videos, live score and detailed match analysis supported in multiple languages such as English, Arabic, French, Portuguese, Spanish and much more, to ensure maximum user engagement.

ONMO Contests

FY 18-19, existing contests were given a digital avatar in terms of Progressive Web App (PWA). It has evolved as a beneficial channel for engaging users with new contests formats and announcing winners instantly. We introduced thematic contests based on the themes like IPL, Football

world cup, Diwali and Christmas. We moved beyond the mobile operator to OTT Apps, which engage with large audiences & gives them the option to vote for their favourite contestants for reality & talent shows.

INFORMATION ABOUT SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

As on March 31, 2019, the Company has 39 subsidiary companies and 1 associate company.

During the year 2018-19, Appland AB (a company incorporated in Sweden) was acquired on October 11, 2018 and the following subsidiaries of OnMobile Global Limited were closed:

1. Livewire (Australia) Pty Limited (closed w.e.f. September 20, 2018)
2. Fonestarz Limited (closed w.e.f. January 22, 2019)
3. Fonestarz Media (Licensing) Limited (closed w.e.f. January 22, 2019)
4. Fonestarz Media Limited (closed w.e.f. January 22, 2019)
5. Daius Limited (closed w.e.f. January 22, 2019)
6. PT OnMobile Indonesia (closed w.e.f. 31st August 2017, the appointed date for liquidation).

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and all its subsidiary companies, which forms part of the Annual Report. A statement containing salient features of the financial statements of the subsidiaries of the Company in Form AOC-1 is given in **Annexure I**.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.onmobile.com. Further, as per fourth proviso of the said Section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.onmobile.com. These documents will also be available for inspection during business hours at the registered office of the Company at Bengaluru, India.

NEW LOCATIONS

During the year under review, branches of the Company located in Ecuador and Peru have been shifted to a new address.

Similarly, there has been a change in the registered office address of OnMobile Costa Rica OBCR, SA, OnMobile Uruguay SA, OnMobile USA LLC, OnMobile Live Inc., and OnMobile SA, subsidiaries of the Company.

The new addresses can be seen under the Contact information section.

MATERIAL CHANGES FOR THE PERIOD BETWEEN END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There have been no material changes for the period between end of the financial year 2018-19 and the date of this report affecting the financial position of the Company.

OPERATIONAL EFFICIENCY

OnMobile operations team continue to focus on operational efficiency through CSI approach (Continual Service Improvement). Through knowledge management and risk management there is improvement in the service availability and turn around time (TAT). Customer Services team has implemented monitoring for service performance that helps in proactive identification of issues and quick resolution. The Delivery, Operations and Engineering teams jointly drove the following efforts:

General Data Protection Regulation (GDPR)

Implemented process to ensure compliance with the regulatory requirement for GDPR in Europe.

ISO Certification

OnMobile continues to strive for process excellence. Operations team has ensured successful Surveillance Audit for the year 2018 in our effort to ensure that we retain our ISO 27001:2013 certification from UKAS. The GSOC, Cross Operator Support and support function teams were audited extensively under the ISO 27001:2013 standards framework by DNV. OnMobile has been recommended for recertification in the audit that was just concluded.

Automation & Optimization

We continue our efforts towards automation of repetitive tasks. The outcome of the process was high accuracy, reduction in efforts / time. Quality audits were rolled out on additional processes to identify the gaps and design improvement plans.

INFRASTRUCTURE

OnMobile exhibits more than 19 offices across the globe with 1.20 lakh square feet of office space. The offices are catalogued as virtual office, business centers and leased offices. OnMobile headquarters - Electronic city Bengaluru - is the largest facility with 98 thousand square feet of office space. All OnMobile offices are well equipped with reliable infrastructure & working atmosphere amid high level of security and safety proficiency. Consistent and scheduled precautionary measures are in place to circumvent downtime and to ensure business continuity. We operate the facilities in a manner that complies with local laws and regulations.

OnMobile provides services to customers pan-India. It has 4 regional warehouses catering to internal hardware movement and support operations of around 3,000 servers and 500 network devices across India. OnMobile is a global establishment with presence in around 70 countries and enjoys enduring trust with global telecom operators.

CORPORATE SOCIAL RESPONSIBILITY

While we continue to support SAHI in their two major projects namely *Gift an ear* and *Girl child project*, we formed a new association with a Bengaluru based NGO called VAANI which works in the space of communication and enablement of hearing impaired kids in the remote parts of Karnataka. We took our new employee and community engagement to a whole new level which won us 'Best Stakeholder Engagement' award in the Corporate Social Responsibility

Summit & Awards 2019 conceptualized and curated by UBS FORUMS.

Our contribution towards cochlear implants, post-surgical rehabilitation, identification of the needy, distribution of hearing aids, **Teach for Deaf** program were the key highlights this year.

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee charter and the CSR Policy of the Company are available in the website at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Corporate_Social_Responsibility_Policy.pdf

Particulars required to be disclosed pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in **Annexure VIII** to the Boards' report.

RESEARCH AND DEVELOPMENT

The year 2018-2019 was focused towards increasing the digitization of the various products offerings and expansion of products like Contests and Sports into global markets. Both these products were made available in a fully digital format (Mobile Web), and backward integrated into the core platforms supporting existing channels. The engineering team implemented various tools and processes to increase the speed of service delivery required in the digital world and enable rapid prototyping for faster go to market. RBT with the digital app as an access channel has also seen a sharp uptake in users across the globe and we are constantly working on improving the user experience.

Cloud enablement of our platforms also saw significant progress and we have enabled deployment on our products in the Virtual Infrastructure of operators and public cloud providers.

Ringback Tones (RBT)

We defined 3 clear areas of focus around which product journey for Tones was to be defined. These were enhancing experience, increasing reach & relevance and assessing pivot opportunities using core RBT attributes. These areas of focus were defined based on understanding of expectations communicated by telco customers across the globe and consumer needs identified through Voice of the Customer (VoC) conducted in the past along with encouraging results observed in initial efforts carried out in these directions in the previous year.

Experience - RBT app evolved into a music app with focus on latest design trends, global usability practices and best in class feature set. This generated immense user traction. Our baseline app current counts for more than 10 Million installs on play store with rating of 4.2+. No other telco digital RBT destination comes anywhere close to these stats.

Reach & Relevance- Created new use cases by blending Ring Back core attributes and leveraging capabilities offered by prevailing digital environment. This has given birth to ideas like App based Video RBT, SDK integration in telco self-care apps, digital display ad bundling with core RBT proposition.

SDK has already shown great promise in its first integration with the self-care app of leading telco's in India.

RBT Pivots - Using core attributes of RBT experience being Incidental and Captive, we worked on creating cohesiveness among different platform components to create single 360 degrees propositions for enterprise customers like political parties, brands, other ideological organizations etc.

ONMO Videos & Subscriptions

As part of the focus on enhancing our platforms for digital content, we had worked on the following enhancements

CREATE, is a component for building & customizing new digital portals for videos, games & editorial contents. With this we can create and customize portals for Operators very quickly.

PROGRAM, a content management system for digital content, where on one side we focused on simplifying our traditional content management system workflows by automating a lot of manual processes and on the other side, we have exposed the CMS through simple and secure API's, so that digital content products (both mobile web and mobile apps) can be quickly built without worrying about the content management aspects. This platform is already getting used for our recent products like Kids & Sports.

ONMOPAY combined with PRISM (Billing, Subscription and Lifecycle Management Platform), we created a common billing gateway for operator billing which can be used by any digital product within OnMobile. The platform comes with an in-built campaign management UI where you can track & control all digital marketing promotions. It gives a good view of the marketing spends on a campaign and has features which can be used to control the campaigns in case of bad traffic with its in-built anti-fraud mechanisms. We have already seen some success with this platform as we have integrated with around 20+ operators across multiple services like Games, Sports and Kids.

ONMO Contests

Many innovations were introduced in contests in the last year. The new mobile web portal was developed and implemented using Progressive Web Apps (PWA), which provided the user with the ability to experience the service as though they were using an app, without the hassle of downloading and installing the same. This also allowed the user to save a light weight icon on their handset which the user could use to return to the contest with a single click. This helped us to deliver immersive user experience as we could launch various new contest formats like puzzles, rapid fire, guess who, etc. with an unparalleled App like experience

In addition to this contests PWA was integrated with automated winner selection tool (AWST). This integration enabled automatic winner selection & immediate winner announcement on user's dashboard enhancing the playing experience.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance. The Company meets the standards and guidelines set by the Securities and

Exchange Board of India on corporate governance and have implemented all the stipulations prescribed. A detailed report on Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report. Certificate(s) from the Auditors of the Company, M/s. B S R & Co. LLP, Chartered Accountants and Parameshwar G. Hegde of M/s. Hegde & Hegde, Company Secretaries, confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with Part B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis Report is presented in a separate Section forming part of the Annual Report.

BUSINESS RESPONSIBILITY REPORT

OnMobile is not included in the list of top 500 companies of National Stock Exchange of India Ltd. (NSE) or BSE Ltd. (BSE) as per the market capitalization as on March 31, 2017; March 31, 2018 and March 31, 2019.

However, the Company has prepared Business Responsibility Report on a voluntary basis in line with the format suggested by Securities and Exchange Board of India vide Circular No. CIR/CFD/CMD/10/2015 dated November 04, 2015, which is annexed to this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment

Pursuant to the provisions of Section 149 of Companies Act, 2013, Gianluca D'Agostino was appointed as Independent Director at the 18th Annual General Meeting of the Company held on September 18, 2018 to hold office upto the date of AGM to be held during the calendar year 2021.

Re-appointment

Pursuant to the provisions of Section 149 of Companies Act, 2013, Sanjay Baweja was re-appointed as Independent Director at the 18th Annual General Meeting of the Company held on September 18, 2018 to hold office upto the date of AGM to be held during the calendar year 2021.

As per the provisions of Companies Act, 2013, Francois-Charles Sirois retires by rotation as Director at the ensuing AGM and being eligible, seeks re-appointment.

The Board of Directors at their meeting held on May 24, 2019, subject to Central Government approval, re-appointed François-Charles Sirois as 'Executive Chairman' of the Company for a period of five years w.e.f. November 1, 2019. Pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders by special resolution to the re-appointment of François-Charles Sirois as the Executive Chairman of the Company is being sought at the forthcoming AGM.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

In terms of provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), were appointed as Statutory Auditors of the Company by the shareholders at the 17th AGM held on September 06, 2017 to hold office until the conclusion of the 22nd Annual General Meeting to be held in calendar year 2022. The Company has received a certificate from the auditors confirming that they are not disqualified from continuing as Auditors of the Company.

The requirement for ratification of appointment of auditors by the members at every AGM is done away with vide Ministry of Corporate Affairs notification dated May 07, 2018.

Secretarial Auditors

The Board of Directors of the Company had appointed Parameshwar G Hegde of M/s. Hegde & Hegde, Company Secretaries to conduct the Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 for the financial year ended March 31, 2019.

Secretarial Audit Report obtained pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 is appended as **Annexure X**.

Further, pursuant to above said SEBI circular, listed entities shall additionally, on an annual basis, require a check by the Practicing Company Secretary on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, consequent to which, the Practicing Company Secretary shall submit a report to the listed entity in the manner specified in this circular. The Company has obtained annual secretarial compliance report from Parameshwar G Hegde of M/s. Hegde & Hegde, Company Secretaries for the financial year ended march 31, 2019 and same has been submitted to the stock exchanges within the stipulated time, copy of which is appended to the Report on Corporate Governance.

Comments on Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors of the Company in the Audit Report and by the Secretarial Auditor in the Secretarial Audit Report for the financial year ended March 31, 2019.

Cost records and cost audit

Maintenance of cost records and requirements of cost audit as prescribed under provisions of section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

MCA Inspections/ Show Cause & Adjudication Notices/ Compounding Applications

Referring to the Inspection of Books of account and other records of the Company during the years 2015-16 and 2016-17 by the Ministry of Corporate Affairs, the Company has received the following five show cause notices and one adjudication notice during the year for alleged violation of few sections of the Companies Act, 1956 and the Companies Act, 2013:

Sl. No.	Show cause notice number	Particulars of violation
Show Cause notices		
1.	ROC(B)/DROC(VSJ)/SCN/027860/3241 dated 31/01/2019	Sec 129 of Companies Act, 2013 r/w AS-9 –non-compliance of provisions of AS-9 regarding accounting and disclosure of FE transactions during the years 2014-15 and 2015-16.
2.	ROC(B)/DROC(VSJ)/SCN/027860/3256 dated 31/01/2019	Sec 85 of Companies Act, 2013-not making complete entries in the Register of charges.
3.	ROC(B)/DROC(VSJ)/SCN/027860/3251 dated 31/01/2019	Sec 121 of Companies Act, 2013 –non filing of e-form MGT-15 for the AGM held for FY 2013-14 (The Company had filed form MGT-15 along with GNL-2 as e-form was not available).
4.	ROC(B)/DROC(VSJ)/SCN/027860/3266 dated 31/01/2019	Sec 217(1) of Companies Act, 1956-for non disclosures of lapses under procurement policy relating to procurements from few vendors in Directors Report for the financial year 2012-13.
5.	ROC(B)/DROC(VSJ)/SCN/027860/3264 dated 31/01/2019	Sec 211 of Companies Act, 1956- for excess provision against doubtful debts during FY 2012-13 non- compliance of AS.
Adjudication Notice		
6.	ROC(B)/LEGAL/SCN/027860/3237 dated 31/01/2019	Sec 12(3)(a) of Companies Act, 2013-for fixing name Board at inconspicuous and imperceptible place.

On Adjudication Notice:

The Company and officers in default appeared before the Registrar of Companies, Bengaluru (ROC) on the scheduled date February 18, 2018. After the hearing, the ROC vide Order No. ROCB/Sec 454(3)/ADJ/027860 dated March 15, 2019 imposed a total penalty of INR 25,000 on the Company and the officers in default. Details of the penalty, payment and filing confirmations have been provided in extract of Annual Return in **Annexure VI**.

On 5 Show Cause Notices:

The Company has submitted responses to ROC on all 5 show cause notices denying the alleged violations and requested the ROC to drop the proceedings. However, in case ROC is not satisfied with Company's explanations, Company and officers in default have filed compounding applications with MCA except for HH Haight who is in the process of compiling the required documents. Details are as follows:

S. No	Show cause notice	Particular	e-Form	Date of the e-Form	SRN
1.	In the matter of Section 129 of the Companies Act, 2013	Company & P Venkateswara Varaprasad, Company Secretary	Form GNL-1	March 08, 2019	H46655197
		Kollurjairam Praveen Kumar Naidu	Form GNL-1	March 11, 2019	H46850723
		Chandramouli Janakiraman	Form GNL-1	March 12, 2019	H46927141
		Rajiv Pancholy	Form GNL-1	May 17, 2019	H59666388
2.	In the matter of Section 85 of the Companies Act, 2013	Company & P Venkateswara Varaprasad, Company Secretary	Form GNL-1	March 08, 2019	H46650396
		Kollurjairam Praveen Kumar Naidu	Form GNL-1	March 11, 2019	H46851259
		Rajiv Pancholy	Form GNL-1	May 17, 2019	H59664730
3.	In the matter of Section 121 of the Companies Act, 2013	Company & P V Venkateswara Varaprasad, Company Secretary	Form GNL-1	March 08, 2019	H46645883
		Kollurjairam Praveen Kumar Naidu	Form GNL-1	March 11, 2019	H46845178
		François-Charles Sirois, Director	Form GNL-1	March 18, 2019	H47528195
		Rajiv Pancholy	Form GNL-1	May 17, 2019	H59666339
4.	In the matter of Section 217 of the Companies Act, 1956	Company & Rajiv Khaitan, Director	Form GNL-1	March 08, 2019	H46658662
		Chandramouli Janakiraman	Form GNL-1	March 12, 2019	H46924213
		Naresh Somdatt Malhotra	Form GNL-1	March 13, 2019	H47100391
		Harit Nagpal	Form GNL-1	March 15, 2019	H47275920

S. No	Show cause notice	Particular	e-Form	Date of the e-Form	SRN
5.	In the matter of Section 211 of the Companies Act, 1956	Company, Rajiv Khaitan, Director and P Venkateswara Varaprasad, Company Secretary	Form GNL-1	March 08, 2019	H46661336
		Chandramouli Janakiraman	Form GNL-1	March 12, 2019	H46949681
		Naresh Somdatt Malhotra	Form GNL-1	March 13, 2019	H47099940
		Harit Nagpal	Form GNL-1	March 15, 2019	H47278742

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the directors to the best of their knowledge and belief confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- They have prepared the annual accounts on a going concern basis.
- Internal financial controls have been laid down and they were adequate and operating effectively.
- Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the financial year 2018-19 viz., May 16, 2018, July 27, 2018, September 18, 2018, October 29, 2018 and February 12, 2019. The maximum interval between any two meetings did not exceed 120 days.

COMMITTEES OF THE BOARD

As on March 31, 2019, the Board had five Committees:

- Audit Committee
- Nomination and Compensation Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided

in the "Report on Corporate Governance" as part of this Annual Report.

BOARD INDEPENDENCE

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet the criteria of independence laid down in Section 149(6). Our definition of 'Independence' of Directors is derived from Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Section 149(6) of the Companies Act, 2013. Further, the Company has received declaration under Regulation 25(8) of Listing Regulations from each Independent Director of the Company.

Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are independent in terms of the aforesaid Listing Regulations and Section 149(6) of the Companies Act, 2013:

- Rajiv Khaitan
- Nancy Cruickshank
- Sanjay Baweja
- Chris Arsenault
- Sanjay Kapoor
- Gianluca D'Agostino

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178, is appended as **Annexure II** to this Report and is placed on the website of the Company at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Nomination_and_Remuneration_Policy.pdf

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is forming part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

There were no loans and guarantees given and the investments made pursuant to Section 186 of the Companies Act, 2013 during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form

AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended in **Annexure III** to this report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company, being a service provider organization, most of the information as required under Section 134(3)(m) read with Companies (Accounts) Rules, 2014 is not applicable. However, the Company endeavors to effectively utilize and conserve energy by using improved technology in its infrastructure such as lighting and paper usage.

FOREIGN EXCHANGE EARNINGS AND OUTGO

(In ₹ Million)

Description	Year ended	
	March 31, 2019	March 31, 2018
Foreign exchange earnings	1,324.73	1,534.97
Foreign exchange outgo	639.05	696.05

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future. Details of pending litigations and tax matters are disclosed in the financial statements.

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted by the Board vide resolution dated March 22, 2017 to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders. The policy is enclosed as **Annexure IV** to the Board's report and is also available on the Company's website at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Dividend_Distribution_Policy.pdf

RISK MANAGEMENT POLICY

The Board of Directors at their meeting held on October 30, 2014 constituted a Risk Management Committee. The Company has formulated a risk management policy to facilitate setting up a framework for risk assessment and minimization procedures. A copy of the risk management policy is appended in this report as **Annexure V** and is placed on the website of the Company at the below link:

http://www.onmobile.com/sites/default/files/cg_policy/Risk_Management_Policy.pdf

SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

VIGIL MECHANISM

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concern. The details of the same are explained in the Report on Corporate Governance.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder. Details of complaints during the year have been disclosed in the Report on Corporate Governance.

INTERNAL COMPLAINTS COMMITTEE

The Company is in compliance with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has in place an Anti-Sexual Harassment Policy in accordance with the said Act.

Internal Complaints Committee was constituted by the Company for redressal of complaints for the specified workplace. The Committee comprises of the following:

- Presiding Officer - Presiding Officer is a woman employee
- Advisor - The committee also has an external member (a woman) who is familiar with issues relating to sexual harassment
- Committee Members - The committee comprises of 60% women and 40% men
- Office of Internal Complaints Committee - The office is responsible for managing the committee's operations

EVALUATION OF PERFORMANCE OF BOARD/ COMMITTEES/INDIVIDUAL DIRECTORS AND CHAIRPERSON

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual evaluation of performance.

Nomination and Compensation Committee specified that (i) the Board Evaluation process for FY 2018-19 should be carried out internally by the Board of Directors and (ii) recommended the criteria for evaluation at different levels in the form of Survey questionnaires in alignment with 'Guidance Note on Board Evaluation' issued by Securities and Exchange Board of India.

Survey questionnaires were circulated to all the Board members with set of questions to assess the performance under each of the following categories:

- The Board as a whole
- Independent Directors

- (iii) Chairperson of the Board and
- (iv) Various Committees of the Board.

The Board reviewed and analyzed the responses to the questionnaire and accordingly completed the Board evaluation process for the financial year 2018-19

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT- 9 is enclosed as **Annexure VI** to this report.

PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure VII (A)** to the Board's Report

A statement showing details of top ten employees in terms of remuneration, every employee employed throughout the financial year and in receipt of remuneration of ₹ 1.02 crore or more per annum or employed for part of the year and in receipt of ₹ 8.5 lakh or more per month and employees posted out side India drawing more than ₹ 60 lakh per annum, under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure VII (B)** to Board's Report.

DEPOSITS

The Company has not accepted deposits during the year under review falling within the purview of Section 73 of the Companies Act, 2013 and the Rules thereunder.

EMPLOYEE STOCK OPTION SCHEMES

Pursuant to the provisions of Section 62(1)(b) read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the Company approved following Employee Stock Option Schemes i.e. Employee Stock Option Plan-I, 2003, Employee Stock Option Plan-II, 2003, Employee Stock Option Plan-III, 2006, Employee Stock Option Plan-I, 2007, Employee Stock Option Plan-II, 2007, Employee Stock Option Plan-I, 2008, Employee Stock Option Plan-II, 2008, Employee Stock Option Plan-III, 2008, Employee

Stock Option Plan-IV, 2008, Employee Stock Option Plan-I, 2010, Employee Stock Option Plan-II, 2010 ; Employee Stock Option Plan I, 2011, Employee Stock Option Plan I, 2012 and Employee Stock Option Plan I, 2013 for granting stock options to its employees.

All the schemes endeavor to provide incentives and retain employees who contribute to the growth of the Company. A summary disclosure in compliance with Companies (Share Capital and Debentures) Rules, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, forms part of this report as **Annexure IX** and the complete details have been disclosed under Notes to the financial statements which form part of the Annual Report. During the year under review, there has been no variation in the terms of ESOP schemes and the disclosure on employee stock option schemes is placed on the website of the Company as a part of Annual report at the below link:

<http://www.onmobile.com/investors>

ACKNOWLEDGMENTS

The Board of Directors takes this opportunity to express their appreciation to the customers, shareholders, investors, vendors and bankers who have supported the Company during the year. The Directors place on record their appreciation to the OnMobilians at all levels for their contribution to the Company. The Directors would like to make a special mention of the support/co-operation extended by the various departments of the Government of India, particularly the Special Economic Zone, Central Board of Direct Taxes, Central Board of Indirect Taxes and Customs, the Ministry of Commerce, the Department of Telecommunications, the Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Ltd, National Securities Depository Limited and Central Depository Services (India) Limited and look forward to their support in all future endeavors.

For and on behalf of the Board of Directors

François-Charles Sirois
Executive Chairman and CEO

Place: Montreal, Canada
Date : May 24, 2019

Annexures to the Board's Report

Annexure I Statement containing the salient features of the financial statements of subsidiaries/ associate companies/joint ventures

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries											Amt in INR Millions	
Sl. No.	Name of the Subsidiary	Reporting Currency & Exchange Rate as on 31st March 2019	Share Capital (2)	Reserves & Surplus (2)	Total Assets (2)	Total Liabilities (Excluding Share Capital & Reserves and Surplus) (2)	Turnover (1)	Investments	Profit / (Loss) before taxation (1)	Provision for taxation (1)	Profit / (Loss) after taxation (1)	% of Share-holding
1.	OnMobile Singapore Pte. Ltd.	1 SGD = INR 51.1065	187.77	(71.22)	285.66	169.12	185.58	-	25.14	4.94	20.20	100%
2.	PT OnMobile Indonesia (Liquidated w.e.f 31.08.2017, the appointed date for liquidation)	1 IDR = INR 0.0049	-	-	-	-	-	-	(0.02)	-	(0.02)	100%
3.	Servicios De Telefonía OnMobile Sa De Cv	1 MXN = INR 3.58215	6.55	(101.61)	59.58	154.63	50.95	-	0.37	1.01	(0.64)	100%
4.	OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	1 BRL = INR 17.7289	41.93	78.49	207.80	87.38	33.67	-	(55.70)	(33.03)	(22.67)	100%
5.	OnMobile Global for Telecommunication Services	1 EGP = INR 3.9925	0.20	(18.74)	102.55	121.09	116.48	-	9.17	2.07	7.10	100%
6.	OnMobile Telecom Burkina Faso, S.A.R.L.	1 XOF = INR 0.11815	0.11	2.89	20.70	17.69	12.17	-	7.72	-	7.72	100%
7.	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	1 TRY = INR 12.2341	0.12	(38.18)	12.88	50.94	7.61	-	(14.13)	-	(14.13)	100%
8.	OnMobile Global Czech Republic S.R.O	1 CZK = INR 3.01025	7.50	(5.46)	2.05	0.02	-	-	9.06	(0.24)	9.30	100%
9.	OnMobile Live Inc	1 USD = INR 69.16125	69.16	(1,907.68)	59.53	1,898.04	94.39	-	(99.32)	-	(99.32)	100%
10.	Fonestarz Media Group Limited	1 GBP = INR 90.3358	0.59	(0.29)	0.30	-	-	-	(0.70)	-	(0.70)	100%
11.	2dayUK Limited	1 GBP = INR 90.3358	0.11	(6.46)	117.01	123.36	316.28	-	(7.30)	-	(7.30)	100%
12.	Daius Limited (Dissolved w.e.f. 22.01.2019)	1 GBP = INR 90.3358	-	-	-	-	-	-	-	-	-	100%

Part "A": Subsidiaries												Amt in INR Millions
Sl. No.	Name of the Subsidiary	Reporting Currency & Exchange Rate as on 31st March 2019	Share Capital (2)	Reserves & Surplus (2)	Total Assets (2)	Total Liabilities (Excluding Share Capital & Reserves and Surplus) (2)	Turnover (1)	Investments	Profit / (Loss) before taxation (1)	Provision for taxation (1)	Profit / (Loss) after taxation (1)	% of Share-holding
13.	Fonestarz Media (licensing) Limited (Dissolved w.e.f. 22.01.2019)	1 GBP = INR 90.3358	-	-	-	-	-	-	-	-	-	100%
14.	Fonestarz Limited (Dissolved w.e.f. 22.01.2019)	1 GBP = INR 90.3358	-	-	-	-	-	-	-	-	-	100%
15.	Fonestarz Media Limited (Dissolved w.e.f. 22.01.2019)	1 GBP = INR 90.3358	-	-	-	-	-	-	-	-	-	100%
16.	Livewire Mobile (Australia) PTY Limited (Deregistered w.e.f. 20.09.2018)	1 AUD = INR 49.133	-	-	-	-	-	-	-	-	-	100%
17.	OnMobile Kenya Telecom Limited	1 KES = INR 0.68595	42.62	(43.37)	91.66	92.41	35.30	-	2.66	-	2.66	100%
18.	OnMobile Telecom Limited	1 MWK = INR 0.0949	0.55	(21.53)	12.29	33.28	(0.00)	-	(8.07)	-	(8.07)	100%
19.	OnMobile Mali SARL	1 XOF = INR 0.11815	-	-	-	-	-	-	9.83	(0.12)	9.95	100%
20.	OnMobile Senegal SARL	1 XOF = INR 0.11815	-	-	-	-	-	-	14.88	(0.34)	15.23	100%
21.	OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	1 MXN = INR 3.58215	-	5.90	11.14	5.24	23.78	-	1.40	0.47	0.93	100%
22.	OnMobile Costa Rica OBCR, S.A.	1 CRC = INR 0.1148	-	4.79	13.51	8.72	17.59	-	0.41	0.15	0.27	100%
23.	OnMobile Ghana Telecom Limited	1 GHS = INR 13.0506	1.32	(18.30)	5.44	22.42	1.24	-	(3.11)	-	(3.11)	100%
24.	OnMobile Madagascar Telecom Limited	1 MGA = INR 0.0195	0.86	(5.96)	7.85	12.95	0.23	-	(0.85)	-	(0.85)	100%
25.	OnMobile Nigeria Telecom Limited	1 NGN = INR 0.1916	0.48	(11.34)	226.18	237.04	104.42	-	13.60	6.75	6.85	100%
26.	OnMobile Rwanda Telecom Limited	1 RWF = INR 0.0764	0.04	(12.91)	6.54	19.42	0.98	-	(0.37)	0.11	(0.48)	100%
27.	OnMobile Uganda Limited	1 UGX = INR 0.0186	11.92	(28.81)	20.25	37.13	15.35	-	0.22	-	0.22	100%
28.	OnMobile Zambia Telecom Limited	1 ZMK = INR 0.005704	4.46	(5.04)	18.16	18.74	20.11	-	0.58	-	0.58	100%
29.	OnMobile Telecom Sierra Leone Limited	1 SLL = INR 0.00785	0.50	(17.16)	1.83	18.49	(0.84)	-	(4.02)	-	(4.02)	100%
30.	OnMobile Uruguay SA	1 UYU = INR 2.05125	-	(3.92)	3.33	7.25	5.09	-	(0.57)	-	(0.57)	100%
31.	OnMobile Global Solutions Canada Limited	1 CAD = INR 51.9307	0.52	6.45	8.16	1.19	32.59	-	1.53	0.43	1.10	100%

Part "A": Subsidiaries											Amt in INR Millions	
Sl. No.	Name of the Subsidiary	Reporting Currency & Exchange Rate as on 31st March 2019	Share Capital (2)	Reserves & Surplus (2)	Total Assets (2)	Total Liabilities (Excluding Share Capital & Reserves and Surplus) (2)	Turnover (1)	Investments	Profit / (Loss) before taxation (1)	Provision for taxation (1)	Profit / (Loss) after taxation (1)	% of Share-holding
32.	OnMobile Global SA	1 ARS = INR 1.58485	3.46	(165.58)	21.55	183.67	28.80	-	(143.40)	26.18	(169.58)	100%
33.	OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	1 EUR = INR 77.6889	0.78	(1.07)	0.10	0.39	-	-	4.56	-	4.56	100%
34.	OnMobile Europe B.V.	1 EUR = INR 77.6889	507.21	25.64	700.34	167.50	-	-	(3.82)	-	(3.82)	100%
35.	OnMobile S.A. (erstwhile Telisma S.A.)	1 EUR = INR 77.6889	3.88	234.08	224.82	(13.14)	73.77	-	9.40	-	9.40	100%
36.	OnMobile USA LLC	1 USD = INR 69.16125	1,768.27	(37.97)	2,208.30	477.99	152.23	-	47.08	-	47.08	100%
37.	OnMobile De Venezuela C.A.	1 USD = INR 69.16125	2.41	(282.43)	4.81	284.83	2.23	-	1.00	-	1.00	100%
38.	Appland AB	1 SEK = INR 7.47025	0.83	332.42	970.73	637.48	65.64	-	(47.10)	(11.05)	(36.05)	100%
39.	OnMobile Bangladesh Private Limited	1 BDT = INR 0.8228	5.92	206.48	332.32	119.91	234.90	-	75.94	26.60	49.34	100%
40.	OnMobile Global Spain S.L.	1 EUR = INR 77.6889	74.66	691.61	1,864.89	1,098.62	3,100.08	-	204.53	51.17	153.36	100%
41.	OnMobile Global Italy SRL	1 EUR = INR 77.6889	0.78	(2.37)	0.15	1.75	-	-	0.09	-	0.09	100%
42.	OnMobile Tanzania Telecom Limited	1 TZS = INR 0.02995	-	(6.77)	2.05	8.83	-	-	(1.02)	-	(1.02)	100%
43.	OnMobile Latam holding S.L	1 EUR = INR 77.6889	0.78	(0.70)	0.50	0.43	-	-	(0.44)	-	(0.44)	100%
44.	OnMobile Global South Africa (PTY) LTD	1 ZAR = INR 4.7617	0.00	14.84	85.40	70.56	223.73	-	12.72	3.64	9.08	100%
45.	OnMobile Global Limited Colombia S.A.S	1 COP = INR 0.0217	11.81	(30.22)	10.92	29.33	14.89	-	(0.90)	-	(0.90)	100%

Notes:

- (1) Converted at monthly average exchange rates
- (2) Converted based on the exchange rates as on March 31, 2019
- (3) Total Dividend from the subsidiaries was Nil during the year
- (4) Investments exclude investments in subsidiaries
- (5) The following companies are yet to commence operation:
 - (a) OnMobile Global Italy SRL
 - (b) OnMobile Latam holding S.L
- (6) Above financials are prepared as per the Generally Accepted Accounting Principles (GAAP) of the respective countries
- (7) The reporting period for all the subsidiaries was March 31, 2019

Part “B”: Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of Associates	Mobile Voice Konnect Private Limited
1. Latest audited Balance Sheet Date	31st March 2019
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	5,000
Amount of Investment in Associates/Joint Venture	INR 50,000
Extent of Holding %	50%
3. Description of how there is significant influence	Shareholding greater than 20%
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Networth attributable to Shareholding as per latest audited Balance Sheet	Nil
6. Profit / (Loss) for the year	INR (1,475)
i. Considered in Consolidation	INR (1,475)
ii. Not Considered in Consolidation	-

Note: The Company had no Joint Ventures during the FY 18-19

For and on behalf of the Board of Directors

François-Charles Sirois
Executive Chairman and Chief Executive Officer
DIN-06890830

Sanjay Baweja
Director
DIN-00232126

Ganesh Murthy
Chief Financial Officer

P V Varaprasad
Company Secretary
Membership Number- FCS 5877

Place: Montreal, Canada
Date: May 24, 2019

Annexure II

Nomination & Remuneration Policy

1. Introduction

The Board of Directors of OnMobile Global Limited ("the Company") renamed and reconstituted the 'Compensation committee' to "Nomination and Compensation Committee" w.e.f May 22, 2014. The main purpose of the Nomination and Compensation Committee is to evaluate and approve the compensation plans, policies and programmes of the executive directors and senior management and to administer various stock option plans of our Company.

This policy is applicable to the Company effective October 1, 2014.

2. Objective

The Nomination and Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Regulations. The key objectives of the Committee would be:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- iii. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.
- vi. To devise a policy on Board diversity

3. Definitions

"Listing Regulations" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" means Directors of the Company.

"Key Managerial Personnel" means

- i. Managing Director or Chief Executive Officer or Manager and in their absence Whole-time director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and

"Senior Management" shall mean officers/personnel of the listed entity who are members of its core management team

excluding Board of directors and normally this shall comprise all members of management one level below the CEO /MD/ WTD /Manager (including CEO /Manager, in case they are not part of the Board) and shall specifically include CS and CFO.

4. Role of Committee

4.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Compensation Committee

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. Recommend to the Board, appointment and removal of Director, Key Managerial Personnel (KMP) and Senior Management Personnel.

4.2 Policy for appointment and removal of Director, KMP and Senior Management

i. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Provided that where no such special resolution is passed but votes cast in favour of the motion exceed the votes, if any, cast against the motion and the Central Government is satisfied, on an application made by the Board, that such appointment is most beneficial to the company, the appointment of the person who has attained the age of seventy years may be made.

ii. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such person serves is restricted to seven listed companies as an Independent Director; and in case such person is serving as a Whole-time Director in any listed company the number of boards on which such person serves as Independent Director is restricted to three listed companies.

iii. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

iv. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

v. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4.3 Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

i. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Nomination and Compensation Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Nomination and Compensation Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) Recommend to the board, all remuneration, in whatever form, payable to senior management

ii. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

- a) Fixed pay:
The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders, wherever required.
- b) Minimum Remuneration:
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without approval required under section 197, he / she shall refund such sums to the Company within two years or such lesser period as may be allowed by the company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the company by special resolution within two years from the date the sum becomes refundable.

iii. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Currently, the maximum amount prescribed by the Central Government is ₹ 1,00,000 per meeting of the Board or Committee thereof.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

Notes:

The total managerial remuneration payable by a public company to its directors, including managing director and whole time director in respect of any financial year shall not exceed 11% of the net profits of the company. Any payment exceeding 11% would require approval of Company in General Meeting subject to provisions of Schedule V.

The remuneration payable to any one managing director; or whole time director shall not exceed 5% of the net profits of the company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors taken together. Any payment exceeding the said 5% or 10% limits would require the approval of the shareholders by special resolution.

The remuneration payable to all the non-executive directors shall not exceed 1% of the net profits of the Company, if there is a managing or whole time Director. As there is a whole time director in the Company, the applicable limit is 1% of the net profit. Any payment exceeding 1%, would require the approval of the shareholders by special resolution.

5. Charter of the Nomination and Compensation Committee:

5.1 Composition:

Three or more non-executive directors out of which not less than one-half shall be independent directors.

Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Compensation Committee but shall not chair the Committee.

5.2 Meetings:

The Committee will meet periodically as necessary to act upon any matter within its jurisdiction. All Committee members are expected to attend each meeting, in person or via tele- or video-conference. A majority of the Committee will comprise a quorum when all Committee members are unable to attend a meeting. The Committee may request that other Board members, or officers, or other employees of the company, or any other persons whose advice and counsel are sought by the Committee, to attend any meeting of the Committee to provide pertinent information. Periodically, the Committee may meet in executive session separately without management and with its chosen independent consultants. Minutes will be kept of each meeting of the Committee.

5.3 Authority:

The Committee will have the authority:

1. To retain search firms to be used to identify appropriate director candidates or to retain other advisers, as deemed necessary and appropriate, to discharge the Committees duties and obligations.
2. To approve appropriate compensation at the company's expense for any search firms or other advisors engaged by the Committee for the purpose of carrying out its duties, and ordinary administrative expense of the Committee.

5.4 Terms of Reference:

1. Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. The Committee will make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board the Criteria (such as independence, experience relevant to the needs of the company, leadership qualities, diversity and ability to represent the shareholders) for the selection of the individuals to be considered as candidates for election to the Board.

3. The Committee will establish, monitor and recommend the purpose, structure and operations of the various Committees of the Board, and qualifications and criteria on membership on each Committee of the Board, and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the Committees.
 4. Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees (referred as 'Nomination and Remuneration Policy').
 5. Committee shall, while formulating the 'Nomination and Remuneration Policy, ensure that—
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
 - d) Nomination and remuneration policy shall be placed on the website of the company and the salient features of the policy and changes therein, if any, along with the web address of the policy, shall be disclosed in the Board's report.
 6. Annual review of the salary, bonus and other compensation plans of the CEO, CFO and Senior Management team of the Company.
 7. Review and approve the salary, bonus and compensation plans for all the executive directors of the Company.
 8. Framing suitable policies and systems to ensure that there is no violation, by an employee or Company of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003.
 9. Administer the implementation and award of stock options under the stock option plans of the Company.
 10. Perform such functions as are required to be performed by the Compensation Committee under Clause 5 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
 11. Recommend to the Board of Directors of the Company on any other employment incentives as the committee deems it appropriate in the best interests of the Company.
 12. Chairperson of the Committee or, in his/her absence, any other member of the committee authorized by him/her in this behalf shall attend the general meetings of the Company.
 13. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the company's articles of association, or directive of the Board.
 14. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval.
 15. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.
 16. Recommend to the board, all remuneration, in whatever form, payable to senior management."
- This Policy will be communicated to all concerned persons of the Company and shall be placed on the website of the Company at www.onmobile.com

Annexure III
Particulars of contracts/arrangements made with related parties
FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered in the year ended March 31, 2019 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2019 are as given in the table below:

Sl. No	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances
	(a)	(b)	(c)	(d)	(e)	(f)
1	OnMobile Singapore Pte. Ltd.	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
2	OnMobile Global for Telecommunication Services	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
3	OnMobile Nigeria Telecom Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
4	OnMobile Global South Africa (PTY) Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
5	OnMobile Rwanda Telecom Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
6	OnMobile Uruguay S.A	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
7	OnMobile Costa Rica OBCR SA	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
8	OnMobile Zambia Telecom Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
9	OnMobile Global Spain S.L.	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
10	OnMobile Ghana Telecom Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
11	OnMobile Bangladesh Private Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Transfer Pricing revenue	At quarterly meetings	Nil
12	OnMobile USA LLC	Transfer Pricing with Subsidiary	April 2018 to March 2019	Yield Support Cost	At quarterly meetings	Nil
13	OnMobile Kenya Telecom Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Yield Support Cost	At quarterly meetings	Nil
14	OnMobile Global Limited Colombia S.A.S.	Transfer Pricing with Subsidiary	April 2018 to March 2019	Yield Support Cost	At quarterly meetings	Nil
15	OnMobile Global Solutions Canada Limited	Transfer Pricing with Subsidiary	April 2018 to March 2019	Yield Support Cost	At quarterly meetings	Nil
16	Servicios De Telefonía OnMobile SA DE CV	Transfer Pricing with Subsidiary	April 2018 to March 2019	Yield Support Cost	At quarterly meetings	Nil
17	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	Transfer Pricing with Subsidiary	April 2018 to March 2019	Yield Support Cost	At quarterly meetings	Nil
18	OnMobile Singapore Pte. Ltd.	As per allocation	April 2018 to March 2019	Corporate cost cross charged	At quarterly meetings	Nil

SI No	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances
	(a)	(b)	(c)	(d)	(e)	(f)
19	OnMobile Global Spain S.L.	As per allocation	April 2018 to March 2019	Corporate cost cross charged	At quarterly meetings	Nil
20	OnMobile Costa Rica OBCR, SA	As per allocation	April 2018 to March 2019	Corporate cost cross charged	At quarterly meetings	Nil
21	OnMobile USA LLC	Transfer Pricing with Subsidiary	April 2018 to March 2019	Data centre costs cross charged.	At quarterly meetings	Nil
22	OnMobile Rwanda Telecom Limited	As per Loan Agreement	April 2018 to March 2019	Interest on Loan to Subsidiary	At quarterly meetings	Nil
23	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	As per Loan Agreement	April 2018 to March 2019	Interest on Loan to Subsidiary	At quarterly meetings	Nil
24	OnMobile USA LLC	As per Loan Agreement	April 2018 to March 2019	Interest on Loan to Subsidiary	At quarterly meetings	Nil
25	OnMobile Portugal SGPS	As per Loan Agreement	April 2018 to March 2019	Interest on Loan to Subsidiary	At quarterly meetings	Nil
26	OnMobile Global Czech Republic s.r.o.	As per Loan Agreement	April 2018 to March 2019	Interest on Loan to Subsidiary	At quarterly meetings	Nil
27	OnMobile Singapore Pte. Ltd.	Transfer Pricing with Subsidiary	April 2018 to March 2019	Manpower Cross Charge	At quarterly meetings	Nil
28	OnMobile S.A.	As per allocation	April 2018 to March 2019	Travel - Sales and Marketing/Manpower cross charge	At quarterly meetings	Nil
29	OnMobile Global for Telecommunication Services	As per Group's RPT Policy	April 2018 to March 2019	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
30	OnMobile Nigeria Telecom Limited	As per Group's RPT Policy	April 2018 to March 2019	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
31	OnMobile Zambia Telecom Limited	As per Group's RPT Policy	April 2018 to March 2019	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
32	OnMobile USA LLC	As per Group's RPT Policy	April 2018 to March 2019	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
33	OnMobile Kenya Telecom Limited	As per Group's RPT Policy	April 2018 to March 2019	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
34	OnMobile Global South Africa (PTY) Limited	As per Group's RPT Policy	April 2018 to March 2019	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
35	OnMobile Global Spain S.L.	As per Group's RPT Policy	April 2018 to March 2019	Sale of Fixed Assets/ Office Supplies	At quarterly meetings	Nil
36	Francois Charles Sirois	Employment Contract	April 2018 to March 2019	Remuneration (including other benefits)	At quarterly meetings	Nil
37	Ganesh Murthy	Employment Contract	April 2018 to March 2019	Remuneration (including other benefits)	At quarterly meetings	Nil
38	P V Varaprasad	Employment Contract	April 2018 to March 2019	Remuneration (including other benefits)	At quarterly meetings	Nil

For and on behalf of the Board of Directors

Place: Montreal, Canada
Date: May 24, 2019

François-Charles Sirois
Executive Chairman and CEO

Annexure IV

Dividend Distribution Policy

The Securities and Exchange Board of India vide its Notification No. SEBI/LAD-NRO/GN/2016-17/008 dated July 08, 2016, inserted Regulation 43A in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') mandating the formulation of a Dividend Distribution Policy for the top 500 listed entities based on their market capitalization calculated on March 31 of every financial year.

This policy is effective from the financial year 2016-17.

1. Objectives

In compliance with Regulation 43A of the Listing Regulations, the Company is required to formulate a Dividend Distribution Policy which would aid investors in identifying stocks that match with their investment objectives.

The objective of the Dividend Distribution Policy of the Company is to reward its shareholders by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for growth of the Company. Through this policy, the Company would endeavor to sustain a steady and consistent distribution of profits, by way of Dividend, to its shareholders.

2. Definitions

'Act' shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

'Board of Directors or Board' means the Board of Directors of OnMobile Global Limited, as constituted from time to time.

'Company' means OnMobile Global Limited.

'Dividend' includes any interim dividend.

'Policy' means Dividend Distribution Policy.

3. Guidelines for distribution of dividend

The distribution of dividend can be by way of Interim Dividend and/or by way of Final Dividend as may be decided by the Board.

The Board at its discretion, while approving the annual accounts in each financial year, may also recommend dividend for the approval of the shareholders while considering the following parameters:

i. The circumstances under which the shareholders can or cannot expect dividend

The shareholders of the Company may expect dividend only if the Company is having surplus funds after providing all expenses, depreciation etc. and complying with the statutory requirements of Companies Act, 2013. Company's expansion/investment plans shall also be an important factor for taking dividend decision and determining the dividend amount.

ii. The financial parameters that shall be considered while declaring dividend

Subject to the provisions of the Companies Act, dividend shall be declared or paid only out of:

- (i) Current financial year's profit:
 - a. after providing for depreciation in accordance with law;
 - b. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- (ii) The profits for any previous financial year(s):
 - a. after providing for depreciation in accordance with law;
 - b. remaining undistributed; or
- (iii) out of i) & ii) both.
- (iv) Interim dividend when approved shall be paid during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is declared; or out of any profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend or out of any other funds as may be permitted by law.

iii. Internal and External factors that shall be considered for declaration of dividend

The Company's Board shall always consider various internal and external factors while considering the quantum for declaration of dividend such as the overall economic scenario of the country, the prospects of the industry in which the Company operates, the statutory and regulatory provisions, the Company's own performance, its profitability, its growth and investment plans, and such other factors as may be deemed fit by the Board.

iv. Policy as to how the retained earnings will be utilized

The profits earned by the Company can be retained in business and used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This policy aims to reconcile between all these needs.

v. Provisions with regard to various classes of shares

The Company has only equity shares and does not currently have any other class(s) of share(s).

4. Amendments

The Board reserves the right to amend, modify or review this Policy in whole or in part, at any point of time, as may be deemed necessary.

5. Dissemination of Policy

This Policy shall be hosted on the website of the Company and shall be disclosed in the Annual Report of the Company.

Annexure V

Risk Management Policy

1. Introduction

The Board of Directors of OnMobile Global Limited ('the Company') has constituted a Risk Management Committee and adopted the following policy and procedures with regard to risk management as defined below. The Company has constituted a Risk Management Committee. The Board may review and amend this policy from time to time.

This Policy is applicable to the Company effective October 1, 2014.

2. Objective

This policy is framed based on the Listing Regulations and to facilitate setting up a framework for risk assessment and minimization procedures.

3. Definitions

"Listing Regulations" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

"Audit Committee" means Committee of Board of Directors of the Company constituted under the provisions of the Companies Act, 2013 and the Listing Regulations.

"Board of Directors" or **"Board"** in relation to a Company, means the collective body of Directors of the Company. [Section 2(10) of the Companies Act, 2013]

"Policy" means Risk Management Policy.

4. Regulatory framework/ requirement

Risk Management Policy is framed as per the following regulatory requirements:

4.1 Listing Regulations

Key functions of the Board

The Board should fulfil certain key functions, including:

1. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.
7. Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

Role of Audit Committee (ref: Regulation 18(3) and Part C of Schedule II of Listing Regulations)

The role of the Audit Committee shall include the following:

11. Evaluation of internal financial controls and risk management systems;

Risk Management (ref: Regulation 17 and 21 of the Listing Regulations)

1. The company shall lay down procedures to inform Board members about the risk assessment and minimization procedures.
2. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company.
3. The company shall constitute a Risk Management Committee. The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.

Information to be placed before the Board of Directors (ref: Part A of Schedule II of the Listing Regulations):

- N. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

4.2 Companies Act, 2013

1. Provisions of the Section 134(3)

There shall be attached to financial statements laid before a company in general meeting, a report by its Board of Directors, which shall include—

- (n) a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

2. Provisions of the Section 177(4)

Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,—

- (vii) evaluation of internal financial controls and risk management systems.

3. Schedule IV [Section 149(8)] - Code for Independent Directors

II. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (4) satisfy themselves on the integrity of financial

information and that financial control and the systems of risk management are robust and defensible;

OnMobile Global Limited being a listed company is required to adhere to the regulations made both by the Companies Act, 2013 and Listing Regulations governed by the Securities and Exchange Board of India (SEBI). Where any stipulation is common between the regulations, more stringent of the two shall be complied with.

5. Charter of the Risk Management Committee

Charter of the Risk management Committee shall be as follows:

5.1 Purpose

The purpose of the risk management committee of the Board of Directors of OnMobile Global Limited (the "Company") shall be to assist the Board with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks. The Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company.

The risk management committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

5.2 Composition

The majority of Committee shall consist of members of the Board of Directors. Senior executives of the company may be members of the said Committee but the Chairman of the Committee shall be a member of the Board of Directors.

5.3 Meetings and Quorum

The quorum necessary for transacting business at a meeting of the Committee shall be two members.

5.4 Authority

The Committee shall have free access to management and management information. The

Committee, at its sole authority, may seek the advice of outside experts or consultants where judged necessary.

5.5 Terms of reference

- The risk management committee shall annually review and approve the Risk Management Policy and associated frameworks, processes and practices of the Company.
- The risk management committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- The risk management committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).
- The risk management committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
- The risk management committee shall make regular reports/ recommendations to the Board.
- The risk management committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- The Committee shall monitor and review the matters relating to cyber security.

This policy will be communicated to all concerned persons of the Company and shall be placed on website of the Company at www.onmobile.com.

Annexure VI
Extract of Annual Return
Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014].

I. Registration and Other Details

Corporate Identity Number (CIN) Of the Company	L 6 4 2 0 2 K A 2 0 0 0 P L C 0 2 7 8 6 0
Registration Date	September 27, 2000
Name of the Company	OnMobile Global Limited
Category / Sub-Category of the Company	Company limited by shares Public non-government Company
Address of the Registered office and contact details	Tower#1, 94/1C & 94/2 Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City Phase-1, Bengaluru – 560 100, Karnataka, India. Tel: +91 80 4009 6000 Fax: +91 80 4009 6009
Listed company (Yes/No)	Yes
Name Address and Contact details of Registrar and Transfer Agent,	Karvy Fintech Private Limited Karvy Selenium Tower-B, Plot No. 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 T +91 40 6716 2222 F +91 40 2342 0814

II. Principal Business Activities of the Company

Sl. No.	Name and Description of Main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Telecommunication- Value Added Services	61900	100%

III. Particulars of holding, subsidiary and associate companies

Sl. No.	Name and address of the Company	Country	CIN/GLN	Holding/ Subsidiary/ Associate	% of holding as at March 31, 2019	Applicable Section
1	OnMobile Singapore Pte. Ltd. 8 Shenton Way #21-07 AXA Tower, Singapore 068811	Singapore	-	Subsidiary	100%	2(87)(ii)
2	PT OnMobile Indonesia (Liquidated w.e.f. 31.08.2017, the appointed date for liquidation) GD. Mayapada Tower, 11 Suit 01B, J1.Jend, Sudirman Kav 28, Karet , Setiabudi, Jakarta Seletan 12920, Indonesia	Indonesia	-	Subsidiary	100%	2(87)(ii)
3	OnMobile SA* 6 Residence les Tournelles, 78810 Feucherolles, France	France	-	Subsidiary	100%	2(87)(ii)
4	OnMobile Europe BV Prins Bernhardplein 200, 1097JB Amsterdam (Mailing: Postbus 990, 1000AZ Amsterdam)	Netherlands	-	Subsidiary	100%	2(87)(ii)

Sl. No.	Name and address of the Company	Country	CIN/GLN	Holding/ Subsidiary/ Associate	% of holding as at March 31, 2019	Applicable Section
5	OnMobile USA LLC 2222 Ponce De Leon Miami, Fl. 33134	USA	-	Subsidiary	100%	2(87)(ii)
6	Servicios De Telefonía OnMobile SA De CV Paseo de la Reforma No. 505 P-31, Col. Cuauhtemoc, Del. Cuauhtemoc, CP. 06500, México, D.F.	Mexico	-	Subsidiary	100%	2(87)(ii)
7	OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda. City of São Paulo, State of São Paulo, at Rua Diogo Moreira, 132, conjunto 1301, Pinheiros, CEP 05423-010	Brazil	-	Subsidiary	100%	2(87)(ii)
8	OnMobile De Venezuela CA* Tercera Avenida, entre 6ta y 7ma Transversal de los Palos Grandes, Quinta Clydes. Caracas, Venezuela	Venezuela	-	Subsidiary	100%	2(87)(ii)
9	OnMobile Global SA Ortiz de Ocampo 3302, Módulo 1, Oficina 24, de esta Ciudad Autonoma de Buenos Aires	Argentina	-	Subsidiary	100%	2(87)(ii)
10	OnMobile Uruguay SA Bulevar Artigas 1100 CP 11300 - Montevideo – Uruguay	Uruguay	-	Subsidiary	100%	2(87)(ii)
11	OnMobile Senegal SARL 3, Place de l'indépendance BP. 6454 Dakar, Senegal	Senegal	-	Subsidiary	100%	2(87)(ii)
12	OnMobile Global for Telecommunication Services Regus Cairo Nile City Towers, 22nd Floor, North Tower, Nile City Towers, Cornich El Nil Ramiet Boulak, Cairo, Egypt. P.O. 11624	Egypt	-	Subsidiary	100%	2(87)(ii)
13	OnMobile Mali SARL Badalabougou Est - Rue 25 - Porte 271 BP 3013, Bamako-Mali	Mali	-	Subsidiary	100%	2(87)(ii)
14	OnMobile Bangladesh Private Limited Baliaaree (4th floor), Plot # 30, Road # 130, South Avenue, Gulshan-1, Dhaka-1212, Bangladesh	Bangladesh	-	Subsidiary	100%	2(87)(ii)
15	OnMobile Servicios Corporativos De Telefonía SA De CV Zamora 187, Colonia Condesa, 06140, Ciudad de México.	Mexico	-	Subsidiary	100%	2(87)(ii)
16	OnMobile Kenya Telecom Limited Plot No. 209/19567, 6th Floor, Suite 6B, TRV Office Plaza, Muthithi Road, Westlands P.O.Box-4181-00200 Nairobi, Kenya	Kenya	-	Subsidiary	100%	2(87)(ii)
17	OnMobile Costa Rica OBCR, SA San José, Escazú, San Rafael, Avenida Escazú, Lexus Tower, Fourth Floor	Costa Rica	-	Subsidiary	100%	2(87)(ii)
18	OnMobile Telecom Limited C/o BDO Tax & Advisory Services Pvt. Ltd., 6th floor Unit House, Victoria Avenue, P.O Box 3038, Blantyre, Malawi	Malawi	-	Subsidiary	100%	2(87)(ii)
19	OnMobile Global Spain, SL Avenida de Europa numero 24, Edificio Torona, Planta 1, Modulo A, Letra C, del Parque Empresarial La Moraleja, código postal 28108 de Alcobendas, Madrid (España)	Spain	-	Subsidiary	100%	2(87)(ii)
20	OnMobile Uganda Limited 3rd Floor, Diamond Trust Building, Plot 17/19 Kampala Road, P.O.Box 7166, Kampala	Uganda	-	Subsidiary	100%	2(87)(ii)

Sl. No.	Name and address of the Company	Country	CIN/GLN	Holding/ Subsidiary/ Associate	% of holding as at March 31, 2019	Applicable Section
21	OnMobile Zambia Telecom Limited 3rd floor, 74 Independence Avenue, Longacres, Lusaka, Zambia, P.O Box 31198, Lusaka	Zambia	-	Subsidiary	100%	2(87)(ii)
22	OnMobile Madagascar Telecom Limited Immeuble ARO Ampefiloha I Esc A Porte A 402 Antananarivo 101 Madagascar	Madagascar	-	Subsidiary	100%	2(87)(ii)
23	OnMobile Rwanda Telecom Limited C/o, PKF Rwanda Ltd , Plot 9901, Off Nyarutarama Road, P.O Box 341, Kigali, Rwanda	Rwanda	-	Subsidiary	100%	2(87)(ii)
24	OnMobile Nigeria Telecom Limited Adol House 15 IPM Avenue, Central Business District, Alausa Ikeja Lagos, Nigeria	Nigeria	-	Subsidiary	100%	2(87)(ii)
25	OnMobile Tanzania Telecom Limited 10th Floor, PPF Tower, Corner of Ohio Street/Garden Avenue, P O Box 1559, Dar Es Salaam, Tanzania	Tanzania	-	Subsidiary	100%	2(87)(ii)
26	OnMobile Ghana Telecom Limited N.11 Adaman Loop, Abeka Junction, Tesano, Accra, P.O. Box AN 19113, Accra-North	Ghana	-	Subsidiary	100%	2(87)(ii)
27	OnMobile Telecom (SL) Limited #12, Wilberforce Street, Regent House, Freetown	Sierra Leone	-	Subsidiary	100%	2(87)(ii)
28	OnMobile Global Solutions Canada Limited 630 Boulevard René-Levesque, West, Suite 2780, Montreal Quebec, H3B-1S6	Canada	-	Subsidiary	100%	2(87)(ii)
29	OnMobile Global Italy SRL Via Felice Casati 20 - 20124 Milan (Italy)	Italy	-	Subsidiary	100%	2(87)(ii)
30	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi Veko Giz Plaza Meydan Sk. N. 3/45 K.14 Oda.1407 Maslak Sarıyer, Istanbul	Turkey	-	Subsidiary	100%	2(87)(ii)
31	OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira) Rua dos Ilhéus numero 6, freguesia de S. Pedro, 9000-176 Funchal	Portugal	-	Subsidiary	100%	2(87)(ii)
32	OnMobile Telecom Burkina Faso, SARL Secteur 15 Section 475 Lot 21 Parcelle 14 Ouagadougou, PO Box: 10 BP 13675 Ouagadougou 13	Burkina Faso	-	Subsidiary	100%	2(87)(ii)
33	OnMobile Global South Africa (PTY) LTD 4th Floor, The Firs, Cradock Avenue, Rosebank, Johannesburg, Gauteng, 2196, South Africa	South Africa	-	Subsidiary	100%	2(87)(ii)
34	OnMobile Global Czech Republic SRO Jugoslávská 620/29, Vinohrady, Postal Code 120 00, Prague 2	Czech Republic	-	Subsidiary	100%	2(87)(ii)
35	OnMobile Live Inc.* 2222 Ponce De Leon Miami, Fl. 33134	USA	-	Subsidiary	100%	2(87)(ii)
36	Fonestarz Media Group Limited* 505 Pinner Road, Harrow, Middlesex, HA2 6EH	UK	-	Subsidiary	100%	2(87)(ii)
37	2dayUK Limited* 505 Pinner Road, Harrow, Middlesex, HA2 6EH	UK	-	Subsidiary	100%	2(87)(ii)
38	Fonestarz Media (Licensing) Limited* (Dissolved w.e.f. 22.01.2019) 505 Pinner Road, Harrow, Middlesex, HA2 6EH	UK	-	Subsidiary	100%	2(87)(ii)

Sl. No.	Name and address of the Company	Country	CIN/GLN	Holding/ Subsidiary/ Associate	% of holding as at March 31, 2019	Applicable Section
39	Daius Limited* (Dissolved w.e.f. 22.01.2019) 505 Pinner Road, Harrow, Middlesex, HA2 6EH	UK	-	Subsidiary	100%	2(87)(ii)
40	Fonestarz Limited* (Dissolved w.e.f. 22.01.2019) 505 Pinner Road, Harrow, Middlesex, HA2 6EH	UK	-	Subsidiary	100%	2(87)(ii)
41	Livewire Mobile (Australia) Pty Ltd* (Deregistered w.e.f. 20.09.2018) St. Martins Tower, Level 9, 31 Market Street, Sydney, NSW 2000	Australia	-	Subsidiary	100%	2(87)(ii)
42	Fonestarz Media Limited* (Dissolved w.e.f. 22.01.2019) 505 Pinner Road, Harrow, Middlesex, HA2 6EH	UK	-	Subsidiary	100%	2(87)(ii)
43	OnMobile Global Limited Colombia SAS Carrera 16 No. 93-92 Bogotá, Colombia	Colombia	-	Subsidiary	100%	2(87)(ii)
44	OnMobile Latam Holdings, SL* Avenida de Europa numero 24, Edificio Torona, Planta 1, Modulo A, Letra C, del Parque Empresarial La Moraleja, codigo postal 28108 de Alcobendas, Madrid (Espana)	Spain	-	Subsidiary	100%	2(87)(ii)
45	Appland AB* Skeppsbron 5, 411 21 Gothenburg, Sweden	Sweden	-	Subsidiary	100%	2(87)(ii)
46	Mobile Voice Konnect Private Limited Tower #1, 94/1C and 94/2, Veerasandra Village Attibele Hobli, Anekal Taluk, Electronic City Phase-1, Bengaluru- 560100	India	U72200KA2012PTC065880	Associate	50%	2(87)(ii)

* holding through step down subsidiary

IV. Shareholding pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category Code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoter And Promoter Group									
(1)	Indian									
	(a) Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
	(b) Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Foreign									
	(a) Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
	(b) Bodies Corporate	50,923,703	0	50,923,703	48.24	50,923,703	0	50,923,703	48.18	(0.06)
	(c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Others	0	0	0	0.00	0	0	0	0.00	0.00

Category Code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
	Sub-Total A(2) :	50,923,703	0	50,923,703	48.24	50,923,703	0	50,923,703	48.18	(0.06)
	Total A=A(1)+A(2)	50,923,703	0	50,923,703	48.24	50,923,703	0	50,923,703	48.18	(0.06)
(B)	Public Shareholding									
(1)	Institutions									
	(a) Mutual Funds /UTI	733,000	0	733,000	0.69	0	0	0	0.00	(0.69)
	(b) Financial Institutions / Banks	322,383	0	322,383	0.31	1,242,265	0	1,242,265	1.18	0.87
	(c) Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	(f) Foreign Institutional Investors	3,677,305	0	3,677,305	3.48	1,777,426	0	1,777,426	1.68	(1.80)
	(g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
	(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	(i) Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	4,732,688	0	4,732,688	4.48	3,019,691	0	3,019,691	2.86	(1.63)
(2)	Non-Institutions									
	(a) Bodies Corporate	9,388,791	0	9,388,791	8.89	12,762,713	0	12,762,713	12.07	3.18
	(b) Individuals									
	(i) Individuals holding nominal share capital upto ₹1 lakh	15,931,451	41,546	15,972,997	15.13	14,814,660	39,929	14,854,589	14.05	(1.08)
	(ii) Individuals holding nominal share capital in excess of ₹1 lakh	20,080,911	121,006	20,201,917	19.14	20,115,979	71,006	20,186,985	19.10	(0.04)
	(c) Others									
	(i) Clearing Members	376,049	0	376,049	0.36	162,046	0	162,046	0.15	(0.20)
	(ii) HUF	2,359,972	0	2,359,972	2.24	2,416,868	0	2,416,868	2.29	0.05
	(iii) NBFC	226,245	0	226,245	0.21	26,807	0	26,807	0.03	(0.19)
	(iv) Non Resident Indians	732,587	0	732,587	0.69	717,395	0	717,395	0.68	(0.02)
	(v) NRI Non-Repatriation	519,596	0	519,596	0.49	489,114	0	489,114	0.46	(0.03)
	(vi) Trusts	3,201	0	3,201	0.00	3,201	0	3,201	0.00	0.00
	(vii) Foreign Nationals	133,090	0	133,090	0.13	133,090	0	133,090	0.13	0.00
	(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	49,751,893	162,552	49,914,445	47.28	51,641,873	110,935	51,752,808	48.96	1.68
	Total Public Shareholding B=B(1)+B(2) :	54,484,581	162,552	54,647,133	51.76	54,661,564	110,935	54,772,499	51.82	0.06
	Total (A+B) :	105,408,284	162,552	105,570,836	100	105,585,267	110,935	105,696,202	100	0.00
	(C) Shares held by custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C) :	105,408,284	162,552	105,570,836	100	105,585,267	110,935	105,696,202*	100	

Note: * the change total shares is due to allotment of shares against exercise of ESOPs during the year.

(ii) Shareholding of Promoters

S. No	Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares held	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	On Mobile Systems Inc.	50,923,703	48.24	0	50,923,703	48.18	0	(0.06)*

Note: *though no.of shares held is intact, the change in % holding is due to allotment of shares to employees against ESOPs during the year.

(iii) Change in promoters' shareholding

Name of the Share Holder	Shareholding at the beginning of the Year (As on 01-04-2018)		Cumulative Shareholding during the Year (01-04-2018 to 31-03-2019)	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
On Mobile Systems Inc.				
At the beginning of the year	50,923,703	48.24	50,923,703	48.24
Date wise Increase / Decrease in Promoters Shareholding during the year			-	-
At the end of the year			50,923,703	48.18*

Note: *though no.of shares held is intact, the change in % holding is due to allotment of shares to employees against ESOPs during the year.

(iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No. of Shares at the beginning (01-04-18 /end of the year(31-03-19)	% of total shares of the company				No of Shares	% of total shares of the company
Chandramouli J	1,922,076	1.82	01/04/2018		Opening balance	1,922,076	1.82
			13/04/2018	(100,000)	Sale	1,822,076	1.73
			20/04/2018	(75,000)	Sale	1,747,076	1.65
			04/05/2018	(55,000)	Sale	1,692,076	1.60
			11/05/2018	(200,000)	Sale	1,492,076	1.41
			18/05/2018	(130,000)	Sale	1,362,076	1.29
			25/05/2018	(40,000)	Sale	1,322,076	1.25
			01/06/2018	(20,000)	Sale	1,302,076	1.23
			15/06/2018	(130,000)	Sale	1,172,076	1.11
			12/10/2018	(10,000)	Sale	1,162,076	1.10
			19/10/2018	(44,000)	Sale	1,118,076	1.06
			26/10/2018	(34,153)	Sale	1,083,923	1.03
			02/11/2018	(74,750)	Sale	1,009,173	0.95
			09/11/2018	(17,097)	Sale	992,076	0.94
			16/11/2018	(16,700)	Sale	975,376	0.92
			23/11/2018	(37,000)	Sale	938,376	0.89
			30/11/2018	(6,300)	Sale	932,076	0.88

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No. of Shares at the beginning (01-04-18 /end of the year(31-03-19)	% of total shares of the company				No of Shares	% of total shares of the company
			14/12/2018	(40,000)	Sale	892,076	0.84
			21/12/2018	(84,400)	Sale	807,676	0.76
			28/12/2018	(85,000)	Sale	722,676	0.68
			31/12/2018	(25,000)	Sale	697,676	0.66
			04/01/2019	(51,000)	Sale	646,676	0.61
			11/01/2019	(67,000)	Sale	579,676	0.55
			18/01/2019	(69,509)	Sale	510,167	0.48
			25/01/2019	(54,000)	Sale	456,167	0.43
			01/02/2019	(47,000)	Sale	409,167	0.39
			08/02/2019	(49,994)	Sale	359,173	0.34
			15/02/2019	(16,723)	Sale	342,450	0.32
	342,450	0.32	31/03/2019		Closing balance	342,450	0.32
Stock Holding Corporation of India Ltd - A/c NSE Derivatives.	42,000	0.04	01/04/2018		Opening balance	42,000	0.04
			01/06/2018	1,000	Purchase	43,000	0.04
			13/07/2018	(11,500)	Sale	31,500	0.03
			27/07/2018	222,482	Purchase	253,982	0.24
			03/08/2018	170,000	Purchase	423,982	0.40
			10/08/2018	462,000	Purchase	885,982	0.84
			17/08/2018	111,000	Purchase	996,982	0.94
			24/08/2018	294,068	Purchase	1,291,050	1.22
			31/08/2018	124,428	Purchase	1,415,478	1.34
			07/09/2018	(3,000)	Sale	1,412,478	1.34
			28/09/2018	(25,500)	Sale	1,386,978	1.31
			05/10/2018	178,000	Purchase	1,564,978	1.48
			12/10/2018	70,000	Purchase	1,634,978	1.55
			19/10/2018	65,288	Purchase	1,700,266	1.61
			02/11/2018	(90,000)	Sale	1,610,266	1.52
			21/12/2018	590,000	Purchase	2,200,266	2.08
			28/12/2018	(475,000)	Sale	1,725,266	1.63
			11/01/2019	135,000	Purchase	1,860,266	1.76
			18/01/2019	20,340	Purchase	1,880,606	1.78
			25/01/2019	5,000	Purchase	1,885,606	1.78
			01/02/2019	(6,955)	Sale	1,878,651	1.78
			08/02/2019	(507)	Sale	1,878,144	1.78
			15/02/2019	503	Purchase	1,878,647	1.78
			22/02/2019	(181)	Sale	1,878,466	1.78
			01/03/2019	(100)	Sale	1,878,366	1.78
			15/03/2019	27,554	Purchase	1,905,920	1.80
			22/03/2019	(25,728)	Sale	1,880,192	1.78
			29/03/2019	(9,500)	Sale	1,870,692	1.77
	1,870,692	1.77	31/03/2019		Closing balance	1,870,692	1.77

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No. of Shares at the beginning (01-04-18 /end of the year(31-03-19)	% of total shares of the company				No of Shares	% of total shares of the company
JM Financial Services Limited	68,840	0.07	01/04/2018		Opening balance	68,840	0.07
			06/04/2018	(30,515)	Sale	38,325	0.04
			13/04/2018	37,556	Purchase	75,881	0.07
			20/04/2018	41,127	Purchase	117,008	0.11
			20/04/2018	(100)	Sale	116,908	0.11
			27/04/2018	(87,578)	Sale	29,330	0.03
			04/05/2018	7,383	Purchase	36,713	0.03
			11/05/2018	32,057	Purchase	68,770	0.07
			11/05/2018	(12,352)	Sale	56,418	0.05
			18/05/2018	11,415	Purchase	67,833	0.06
			18/05/2018	(40,000)	Sale	27,833	0.03
			25/05/2018	13,787	Purchase	41,620	0.04
			01/06/2018	69	Purchase	41,689	0.04
			01/06/2018	(13,791)	Sale	27,898	0.03
			08/06/2018	55,689	Purchase	83,587	0.08
			15/06/2018	23,895	Purchase	107,482	0.10
			15/06/2018	(38,391)	Sale	69,091	0.07
			22/06/2018	3,917	Purchase	73,008	0.07
			22/06/2018	(2,300)	Sale	70,708	0.07
			06/07/2018	91,526	Purchase	162,234	0.15
			13/07/2018	88,524	Purchase	250,758	0.24
			13/07/2018	(91,369)	Sale	159,389	0.15
			20/07/2018	4,751	Purchase	164,140	0.16
			20/07/2018	(910)	Sale	163,230	0.15
			27/07/2018	(400)	Sale	162,830	0.15
			03/08/2018	6,723	Purchase	169,553	0.16
			10/08/2018	10,498	Purchase	180,051	0.17
			10/08/2018	(1,711)	Sale	178,340	0.17
			17/08/2018	367	Purchase	178,707	0.17
			17/08/2018	(10,138)	Sale	168,569	0.16
			24/08/2018	(5,322)	Sale	163,247	0.15
			31/08/2018	11,888	Purchase	175,135	0.17
			07/09/2018	5,666	Purchase	180,801	0.17
			07/09/2018	(200)	Sale	180,601	0.17
			14/09/2018	49,566	Purchase	230,167	0.22
			14/09/2018	(173,250)	Sale	56,917	0.05
			21/09/2018	7,950	Purchase	64,867	0.06
			21/09/2018	(50,220)	Sale	14,647	0.01
			28/09/2018	3,351	Purchase	17,998	0.02
			28/09/2018	(10,300)	Sale	7,698	0.01
			29/09/2018	(200)	Sale	7,498	0.01

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No. of Shares at the beginning (01-04-18 /end of the year(31-03-19)	% of total shares of the company				No of Shares	% of total shares of the company
			05/10/2018	269,984	Purchase	277,482	0.26
			12/10/2018	9,350	Purchase	286,832	0.27
			12/10/2018	(269,935)	Sale	16,897	0.02
			19/10/2018	2,600	Purchase	19,497	0.02
			19/10/2018	(10,350)	Sale	9,147	0.01
			26/10/2018	4,928	Purchase	14,075	0.01
			02/11/2018	1,579	Purchase	15,654	0.01
			09/11/2018	68,053	Purchase	83,707	0.08
			16/11/2018	34,316	Purchase	118,023	0.11
			16/11/2018	(9,124)	Sale	108,899	0.10
			23/11/2018	10,466	Purchase	119,365	0.11
			23/11/2018	(97,790)	Sale	21,575	0.02
			30/11/2018	(11,118)	Sale	10,457	0.01
			07/12/2018	212,602	Purchase	223,059	0.21
			14/12/2018	783	Purchase	223,842	0.21
			14/12/2018	(196,022)	Sale	27,820	0.03
			21/12/2018	(7,799)	Sale	20,021	0.02
			28/12/2018	10,375	Purchase	30,396	0.03
			31/12/2018	100	Purchase	30,496	0.03
			31/12/2018	(3,145)	Sale	27,351	0.03
			04/01/2019	15,750	Purchase	43,101	0.04
			04/01/2019	(15,000)	Sale	28,101	0.03
			11/01/2019	1,720	Purchase	29,821	0.03
			11/01/2019	(21,000)	Sale	8,821	0.01
			18/01/2019	28,568	Purchase	37,389	0.04
			25/01/2019	3,074	Purchase	40,463	0.04
			25/01/2019	(28,774)	Sale	11,689	0.01
			01/02/2019	2,118	Purchase	13,807	0.01
			01/02/2019	(2,494)	Sale	11,313	0.01
			08/02/2019	8,085	Purchase	19,398	0.02
			08/02/2019	(918)	Sale	18,480	0.02
			15/02/2019	400	Purchase	18,880	0.02
			15/02/2019	(5,436)	Sale	13,444	0.01
			22/02/2019	26,156	Purchase	39,600	0.04
			22/02/2019	(752)	Sale	38,848	0.04
			01/03/2019	6,054	Purchase	44,902	0.04
			01/03/2019	(998)	Sale	43,904	0.04
			08/03/2019	830,397	Purchase	874,301	0.83
			15/03/2019	585,943	Purchase	1,460,244	1.38
			15/03/2019	(683,705)	Sale	776,539	0.73
			22/03/2019	146,786	Purchase	923,325	0.87

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No. of Shares at the beginning (01-04-18 /end of the year(31-03-19)	% of total shares of the company				No of Shares	% of total shares of the company
			29/03/2019	1,084,919	Purchase	2,008,244	1.90
			29/03/2019	(241,393)	Sale	1,766,851	1.67
			30/03/2019	1	Purchase	1,766,852	1.67
			30/03/2019	(19,150)	Sale	1,747,702	1.65
	1,747,185	1.65	31/03/2019		Closing balance	1,747,185	1.65
Naishadh Jawahar Paleja	1,400,000	1.33	01/04/2018		Opening balance	1,400,000	1.33
	1,400,000	1.32	31/03/2019		Closing balance	1,400,000	1.32
Rajasthan Global Securities Private Limited	1,177,114	1.11	01/04/2018		Opening balance	1,177,114	1.11
			06/04/2018	9,921	Purchase	1,187,035	1.12
			27/04/2018	30,000	Purchase	1,217,035	1.15
			11/05/2018	326,974	Purchase	1,544,009	1.46
			18/05/2018	213,655	Purchase	1,757,664	1.66
			03/08/2018	580,000	Purchase	2,337,664	2.21
			03/08/2018	(580,000)	Sale	1,757,664	1.66
			31/08/2018	65,995	Purchase	1,823,659	1.73
			07/09/2018	342,211	Purchase	2,165,870	2.05
			14/09/2018	168,633	Purchase	2,334,503	2.21
			28/09/2018	8,242	Purchase	2,342,745	2.22
			26/10/2018	178,000	Purchase	2,520,745	2.38
			26/10/2018	(178,000)	Sale	2,342,745	2.22
			30/11/2018	935,000	Purchase	3,277,745	3.10
			30/11/2018	(935,000)	Sale	2,342,745	2.22
			28/12/2018	466,645	Purchase	2,809,390	2.66
			22/02/2019	45,195	Purchase	2,854,585	2.70
			01/03/2019	20,050	Purchase	2,874,635	2.72
			29/03/2019	(28,980)	Sale	2,845,655	2.69
	2,845,655	2.69	31/03/2019		Closing balance	2,845,655	2.69
ICICI Bank Limited	257,420	0.24	01/04/2018		Opening balance	257,420	0.24
			06/04/2018	(638)	Sale	256,782	0.24
			13/04/2018	(600)	Sale	256,182	0.24
			20/04/2018	429	Purchase	256,611	0.24
			27/04/2018	31,636	Purchase	288,247	0.27
			04/05/2018	(19,391)	Sale	268,856	0.25
			11/05/2018	2,299	Purchase	271,155	0.26
			18/05/2018	87,499	Purchase	358,654	0.34
			25/05/2018	(606)	Sale	358,048	0.34
			01/06/2018	(254,437)	Sale	103,611	0.10
			08/06/2018	2,534	Purchase	106,145	0.10
			15/06/2018	301	Purchase	106,446	0.10
			22/06/2018	286,496	Purchase	392,942	0.37

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No. of Shares at the beginning (01-04-18 /end of the year(31-03-19)	% of total shares of the company				No of Shares	% of total shares of the company
			06/07/2018	36,900	Purchase	429,842	0.41
			13/07/2018	1,423	Purchase	431,265	0.41
			20/07/2018	(2,426)	Sale	428,839	0.41
			27/07/2018	(25,573)	Sale	403,266	0.38
			03/08/2018	(14,417)	Sale	388,849	0.37
			10/08/2018	(28,029)	Sale	360,820	0.34
			17/08/2018	(624)	Sale	360,196	0.34
			24/08/2018	119,291	Purchase	479,487	0.45
			31/08/2018	(209,615)	Sale	269,872	0.26
			07/09/2018	205,307	Purchase	475,179	0.45
			14/09/2018	166,553	Purchase	641,732	0.61
			21/09/2018	17,203	Purchase	658,935	0.62
			28/09/2018	(269,211)	Sale	389,724	0.37
			05/10/2018	260,181	Purchase	649,905	0.61
			12/10/2018	929,984	Purchase	1,579,889	1.49
			19/10/2018	(750)	Sale	1,579,139	1.49
			26/10/2018	1,154	Purchase	1,580,293	1.50
			02/11/2018	(5,124)	Sale	1,575,169	1.49
			09/11/2018	(5,733)	Sale	1,569,436	1.48
			16/11/2018	8,648	Purchase	1,578,084	1.49
			23/11/2018	59,170	Purchase	1,637,254	1.55
			30/11/2018	(258,187)	Sale	1,379,067	1.30
			07/12/2018	254,143	Purchase	1,633,210	1.55
			14/12/2018	1,275	Purchase	1,634,485	1.55
			21/12/2018	(4,200)	Sale	1,630,285	1.54
			28/12/2018	(6,000)	Sale	1,624,285	1.54
			31/12/2018	(245,218)	Sale	1,379,067	1.30
			04/01/2019	246,592	Purchase	1,625,659	1.54
			11/01/2019	(750)	Sale	1,624,909	1.54
			18/01/2019	36,104	Purchase	1,661,013	1.57
			25/01/2019	4,665	Purchase	1,665,678	1.58
			01/02/2019	(264,148)	Sale	1,401,530	1.33
			08/02/2019	247,748	Purchase	1,649,278	1.56
			15/02/2019	(1,789)	Sale	1,647,489	1.56
			22/02/2019	(240,316)	Sale	1,407,173	1.33
			01/03/2019	(217,032)	Sale	1,190,141	1.13
			08/03/2019	225,737	Purchase	1,415,878	1.34
			15/03/2019	4,600	Purchase	1,420,478	1.34
			22/03/2019	2,777	Purchase	1,423,255	1.35
			29/03/2019	(238,284)	Sale	1,184,971	1.12
	1,144,516	1.08	31/03/2019		Closing balance	1,144,516	1.08

Name of the Shareholder	Shareholding at the beginning of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
	No. of Shares at the beginning (01-04-18 /end of the year(31-03-19)	% of total shares of the company				No of Shares	% of total shares of the company
Acadian Emerging Markets Small Cap Equity Fund LLC	1,047,806	0.99	01/04/2018		Opening balance	1,047,806	0.99
	1,047,806	0.99	31/03/2019		Closing balance	1,047,806	0.99
CLSA Global Markets PTE. Ltd.	840,548	0.80	01/04/2018		Opening Balance	840,548	0.80
			28/09/2018	(101,936)	Sale	738,612	0.70
			19/10/2018	(10,607)	Sale	728,005	0.69
			11/01/2019	(386,678)	Sale	341,327	0.32
			18/01/2019	(341,327)	Sale	0	0.00
	0	0.00	31/03/2019		Closing Balance	0	0.00
Suraj Bhanshali	756,000	0.72	01/04/2018		Opening Balance	756,000	0.72
	756,000	0.72	31/03/2019		Closing Balance	756,000	0.72
HDFC Trustee Company Limited - HDFC Capital Builde	733,000	0.69	01/04/2018		Opening Balance	733,000	0.69
			18/05/2018	(61,369)	Sale	671,631	0.64
			25/05/2018	(206,754)	Sale	464,877	0.44
			01/06/2018	(311,000)	Sale	153,877	0.15
			08/06/2018	(153,877)	Sale	-	-
	0	0.00	31/03/2019		Closing Balance	0	0.00

v) Shareholding of Directors and Key Managerial Personnel

Name of the director/ key managerial personnel (KMP)	Shareholders at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative shareholding during the year (01-04-18 to 31-03-19)	
	No. of shares at the beginning of the year (01-04-2018)/end of the year (31-03-2019)	% of total shares of the Company				No. of shares	% of total shares of the Company
A. Directors							
François-Charles Sirois	0	0	01/04/2018		Opening balance	0	0
	0	0	31/03/2019		Closing balance	0	0
Rajiv Khaitan	0	0	01/04/2018		Opening balance	0	0
	0	0	31/03/2019		Closing balance	0	0
Nancy Cruickshank	0	0	01/04/2018		Opening balance	0	0
	0	0	31/03/2019		Closing balance	0	0
Sanjay Baweja	0	0	01/04/2018		Opening balance	0	0
			16/11/2018	130,646	Purchase	130,646	0.12
			23/11/2018	69,745	Purchase	200,391	0.19
			30/11/2018	99,127	Purchase	299,518	0.28
			21/12/2018	482	Purchase	300,000	0.28
	300,000	0.28	31/03/2019		Closing balance	300,000	0.28
Chris Arsenault	0	0	01/04/2018		Opening balance	0	0
	0	0	31/03/2019		Closing balance	0	0

Name of the director/ key managerial personnel (KMP)	Shareholders at the beginning of the year		Date	Increase/ Decrease in share holding	Reason	Cumulative shareholding during the year (01-04-18 to 31-03-19)	
	No. of shares at the beginning of the year (01-04-2018)/end of the year (31-03-2019)	% of total shares of the Company				No. of shares	% of total shares of the Company
Sanjay Kapoor	0	0	01/04/2018		Opening balance	0	0
	0	0	31/03/2019		Closing balance	0	0
Gianluca D'Agostino (appointed w.e.f. July 27, 2018)	0	0	01/04/2018		Opening balance	0	0
	0	0	31/03/2019		Closing balance	0	0
B. Key Managerial Personnel							
Ganesh Murthy – Chief Financial Officer	0	0	01/04/2018		Opening balance	0	0
	0	0	31/03/2019		Closing balance	0	0
P V Varaprasad- Company Secretary	30	0.00	01/04/2018		Opening balance	30	0.00
	30	0.00	31/03/2019		Closing balance	30	0.00

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(In ₹)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the year	-	-	-	-
(i) Principal amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in indebtedness during the financial year	-	-	-	-
(i) Addition	106,720,000	-	-	106,720,000
(ii) Reduction	106,720,000	-	-	106,720,000
Net change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
(i) Principal amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time directors and/or Manager:

(In ₹)

Sl No	Particulars of remuneration	François-Charles Sirois, Executive Chairman & CEO	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	4,828,572	4,828,572
	(b) Value of perquisites u/s 17(2) of Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-
2	Stock Option (In Numbers)	-	-
3	Sweat equity	-	-

SI No	Particulars of remuneration	François-Charles Sirois, Executive Chairman & CEO	Total Amount
4	Commission	-	-
	As % of profit	-	-
	Other (bonus)	-	-
5	Others (Retiral benefits)	696,428	696,428
	Total (A) excluding stock options	5,525,000	5,525,000
	Overall Ceiling as per the Act	12,158,083 (5% of net profit as per Section 197)	

B. Remuneration to other Directors

(In ₹)

SI No	Particulars of remuneration	Rajiv Khaitan	Nancy Cruickshank	Sanjay Baweja	Gianluca D'Agostino ¹	Chris Arsenault	Sanjay Kapoor	Total Amount
1	Independent Directors							
	Fee for attending Board/committee meetings	1,500,000	1,400,000	1,500,000	800,000	1,100,000	1,400,000	7,700,000
	Commission	1,750,000	1,850,000	1,750,000	2,090,719	2,150,000	1,850,000	11,440,719
	Others , please specify	-	-	-	-	-	-	-
	Total (1)	3,250,000	3,250,000	3,250,000	2,890,719	3,250,000	3,250,000	19,140,719
2	Other Non-Executive Directors							
	Fee for attending Board/committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others , please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total B (1+2)	3,250,000	3,250,000	3,250,000	2,890,719	3,250,000	3,250,000	19,140,719
	Total Managerial remuneration (A+B)							24,665,719
	Overall ceiling as per the Act	2,431,617 (1% of the net profit)						
		Note: However, the Shareholders at the AGM dated September 18, 2018 approved payment of remuneration, in addition to the sitting fees, in aggregate not exceeding 5% of the net profits computed as per section 198 or ₹ 15 Million, whichever is higher for each financial year commencing on or after April 01, 2018.						

¹ Gianluca D'Agostino was appointed as Additional Director w.e.f July 27, 2018

C. Remuneration to Key Managerial Personnel (other than MD/Manager/WTd)

(In ₹)

SI No	Particulars of remuneration	Key managerial personnel		Total
		P V Varaprasad, Company Secretary	Ganesh Murthy, CFO	
1	Gross salary (in Rs)			
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	3,731,025	14,148,219	17,879,244
	(b) Value of perquisites u/s 17(2) of Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-
2	Stock Options held as on March 31, 2019 (in numbers)	28,800	300,000	328,800
3	Sweat equity (in ₹)	-	-	-
4	Commission (in ₹) As % of profit Other (bonus)	-	-	-
5	Others (Retiral benefits)	-	-	-
	Total (in Rs) *	3,731,025	14,148,219	17,879,244

* excluding the stock options

VII. Penalties/Punishment/Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	Section 12(3)(a) of the Companies Act, 2013	Name and address board of the Company was inconspicuous and imperceptible at the registered office premises of the Company	₹ 10,000/- (Adjudication of penalty paid on April 05, 2019)	Registrar of Companies, Karnataka, Bengaluru	NA
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other officers in default					
Penalty	Section 12(3)(a) of the Companies Act, 2013	Name and address Board of the Company was inconspicuous and imperceptible at the registered office premises of the Company	₹ 5,000/- (Adjudication of penalty paid by P V Varaprasad, Company Secretary on April 05, 2019)	Registrar of Companies, Karnataka, Bengaluru	NA
	Section 12(3)(a) of the Companies Act, 2013	Name and address Board of the Company was inconspicuous and imperceptible at the registered office premises of the Company	₹ 5,000/- (Adjudication of penalty paid by Kollurjairam Praveen Kumar Naidu, Ex CFO on April 05, 2019)	Registrar of Companies, Karnataka, Bengaluru	NA
	Section 12(3)(a) of the Companies Act, 2013	Name and address of the Company was inconspicuous and imperceptible at the registered office premises of the Company	₹ 5,000/- (Adjudication of penalty paid by Rajiv Pancholy, Ex Managing Director and CEO on April 05, 2019)	Registrar of Companies, Karnataka, Bengaluru	NA
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Place: Montreal, Canada
Date : May 24, 2019

François-Charles Sirois
Executive Chairman and CEO

Annexure VII

Particulars of Employees

A. Details / Disclosures of Ratio of Remuneration to each Director and KMP (Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014):

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Name of the Director	Ratio to the Median
	Francois Charles Sirois	7.10
	Rajiv Khaitan	2.25
	Nancy Cruickshank	2.38
	Sanjay Baweja	2.25
	Chris Arsenault	2.76
	Sanjay Kapoor	2.38
	Gianluca D'Agostino	2.69
(ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name of the Director/KMP	% increase
	François-Charles Sirois	-28.93
	Rajiv Khaitan	20.69
	Nancy Cruickshank	19.94
	Sanjay Baweja	20.69
	Chris Arsenault	58.65
	Sanjay Kapoor	29.48
	Gianluca D'Agostino	NA
	Ganesh Murthy	NA
	P V Varaprasad	-4.22
(iii) the percentage increase in the median remuneration of employees in the financial year;	9.4%	
(iv) the number of permanent employees on the rolls of Company;	788 (as on 31 st March 2019)	
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average salary increase of the employees excluding KMP's is 9.6% over the previous year mainly due to annual salary increments and market corrections. The average salary increase of the KMPs was -16.58% over the previous year. Remuneration to Non-Executive Directors is in pursuance of shareholders' approval dated September 18, 2018. Remuneration of CFO has not been considered for salary increase calculation of KMPs as there was a change in the CFO in March 2018.	
(vi) Affirmation that the remuneration is as per the remuneration policy of the company.	Salaries paid are in line with the company's remuneration policy based on industry benchmark.	

B. Statement showing Details of Employees of the Company as per Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended March 31, 2019:

Top 10 Employees (in terms of remuneration)

Employee Name	Designation	Remuneration Received (₹)	Nature of Employment	Qualification	Experience (in years)	Date of Joining	Age	Previous Employment
Sanjay Bhambri	President & Chief Operating Officer (India, Asia, Middle East & Africa)	2,11,20,000	Permanent	MBA	25	06-Aug-12	49	Enzen Global Solutions Pvt. Ltd.
Ganesh Murthy	Chief Financial Officer	1,41,48,562	Permanent	FCA	33	26-Mar-18	57	NTT Data Information Processing Services Private Limited
Biswajit Nandi	Vice President - Africa & Middle East	1,40,72,391	Permanent	MBA	19	15-Dec-04	43	Tata Indicom
Shwetank Tamer	Director - Delivery & Presales (Western Market)	1,19,06,833	Permanent	MBA	15	02-Apr-07	36	Wachovia Securities
Vikas Goel	Vice President - Delivery & Operations (Europe, NAM & LATAM)	1,33,48,247	Permanent	MBA	18	11-Jun-08	41	H3C Technology
Saurabh Poddar	Director - Account Management	93,95,025	Permanent	MBA	15	17-Mar-05	38	DS Group
Sukruth Srinivasan	Director - Engineering	92,27,375	Permanent	B.Sc	16	19-May-03	36	-
Geo Rajan	Director - Products (Games & Video)	95,88,452	Permanent	B.tech	17	06-Jan-03	39	Syscom Design Labs
Vito Savino	Director - Sales	12,580,492	Permanent	Electronics Engg	22	03-Dec-12	50	Mondia Media
Sachin Jain	Senior Regional Account Manager	7,839,583	Permanent	BE	16	09-Apr-08	38	VSNL Internet Services Ltd

Employees drawing remuneration of Rupees One Crore two lakh or above per annum:

Employee Name	Designation	Remuneration Received (₹)	Nature of Employment	Qualification	Experience (in years)	Date of Joining	Age	Previous Employment
Sanjay Bhambri	President & Chief Operating Officer (India, Asia, Middle East & Africa)	2,11,20,000	Permanent	MBA	25	06-Aug-12	49	Enzen Global Solutions Pvt. Ltd.
Ganesh Murthy	Chief Financial Officer	1,41,48,562	Permanent	FCA	33	26-Mar-18	57	Dell International Services Pvt. Ltd.

Employed for part of the year with an average salary of above Eight Lakh Fifty thousand rupee per month:

Employee Name	Designation	Remuneration Received (₹)	Nature of Employment	Qualification	Experience (in years)	Date of Joining	Age	Previous Employment
Mangesh Kulkarni	National Account Manager	35,52,148	Permanent	MBA	14	04-Apr-05	38	Zenith P.C.Ltd
Rajesh Balakrishnan Nair	Senior Manager – PMO	20,14,175	Permanent	BBA	21	25-Nov-05	35	Network Solutions
Madhusudan N.	Vice President – Marketing	46,34,521	Permanent	M.Sc	22	10-Mar-08	36	Meritus Analytics India Pvt Ltd

Statement showing Details of Employees posted and working in a country outside India, not being a director or their relatives, drawing remuneration more than sixty lakh rupees per annum:

Employee Name	Designation	Remuneration Received (₹)	Nature of Employment	Qualification	Experience (in years)	Date of Joining	Age	Previous Employment
Sukruth Srinivasan	Director – Engineering	92,27,375	Permanent	B.Sc	16	19-May-03	36	-
Geo Rajan	Director - Products (Games & Video)	95,88,452	Permanent	B.tech	17	06-Jan-03	39	Syscom Design Labs
Biswajit Nandi	Vice President - Africa & Middle East	1,40,72,391	Permanent	MBA	19	15-Dec-04	43	Tata Indicom
Saurabh Poddar	Director - Account Management	93,95,025	Permanent	MBA	15	17-Mar-05	38	DS Group
Shwetank Tamer	Director - Delivery & Presales (Western Market)	1,19,06,833	Permanent	MBA	15	02-Apr-07	36	Wachovia Securities
Sachin Jain	Senior Regional Account Manager	78,39,583	Permanent	BE	16	09-Apr-08	38	VSNL Internet Services Ltd
Vikas Goel	Vice President - Delivery & Operations (Europe, NAM & LATAM)	1,33,48,247	Permanent	MBA	18	11-Jun-08	41	H3C Technology
Vito Savino	Director - Sales	12,580,492	Permanent	Electronic Engineer	22	03-Dec-12	50	Mondia Media
Kishore Reddy	Senior Manager - Engineering, Products	6,482,886	Permanent	B.Tech	12	06-Dec-06	37	-

For and on behalf of the Board of Directors

Place: Montreal, Canada
Date: May 24, 2019

François-Charles Sirois
Executive Chairman and CEO

Annexure VIII
Annual Report on Corporate Social Responsibility (CSR) Activities
(Pursuant to Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. OnMobile CSR Policy intends to:

- a. Strive for economic development that positively impacts the society at large with a minimal resource footprint.
- b. Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, healthcare, malnutrition, environment, communities, stakeholders and the society.

The CSR policy of the Company is stated in the following link:

http://www.onmobile.com/sites/default/files/cg_policy/Corporate_Social_Responsibility_Policy.pdf

2. Composition of the CSR Committee:

The members of the CSR committee of the Board as on date is as under:

- a. Rajiv Khaitan - Chairman
- b. Chris Arsenault - Member
- c. Nancy Cruickshank - Member

3. Average Net Profit of the Company for the last three financial years: ₹ 449,938,905/-

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 8,998,778/-

5. Details of CSR spent during the financial year:

- a. Total amount spent for the financial year: ₹ 8,999,654/-
- b. Amount unspent, if any: Nil
- c. Manner in which the amount spent during the financial year is detailed below:

(In ₹)

SI No	CSR project/activity identified	Sector in which the project is covered	Projects/Programs (1) Local area or others (2) Specify the state and district where project or programs were undertaken	Amount of outlay budget project or program wise	Amount spent on the project or programs Subheads: (i) Direct expenditure on projects or programs (2) Over-heads	Cumulative expenditure up to the reporting period	Amount spent direct or through implementing agency
1.	Contribution to SAHI (Society to Aid the Hearing Impaired), a registered NGO working with hearing impaired underprivileged children from rural background	Promoting health care including preventive health care	Hyderabad, Telangana	6,672,000	6,672,000	6,672,000	Amount spent through Society to Aid the Hearing Impaired (SAHI)
2	Contribution to VAANI Deaf Children's Foundation for the purpose to support Project "Bringing sound in lives of children with hearing impairment"	Promoting health care including preventive health care	Bengaluru, Karnataka	2,202,904	2,202,904	2,202,904	Amount spent through VAANI Deaf Children's Foundation
3	GOONJ - Karnataka / Kerala flood Relief	Providing relief to flood affected victims	Bengaluru, Karnataka	124,750	124,750	124,750	Amount spent through GIVE INDIA
	Total CSR Expenditure (1+2+3)			8,999,654	8,999,654	8,999,654	

The Company has constituted a CSR committee and formulated CSR policy as required under Section 135 of Companies Act, 2013 and the Rules made thereunder.

In line with the CSR activities listed in Schedule VII of the Companies Act, 2013, the Company has identified health care including preventive health care as its primary focus area and decided to fund free hearing aids for the needy. The Company

identified the focus area having relevance to the Company's core offering, enabling people to express themselves through sound as this CSR initiative aligns Company's identity with a relevant cause. OnMobile has associated with Society to Aid the Hearing Impaired (SAHI), a registered NGO working with hearing impaired underprivileged children from rural background and made a contribution of INR 6,672,000 and with another NGO called VAANI based out of Bengaluru and made a contribution of INR 2,202,904 in phases during the financial year 2018-19. This was done to support Cochlear Implants, Micro Ear Surgeries, Post-surgical rehabilitation and Hearing Aids for the needy and to increase community and care-taker awareness and engagement towards the cause.

Company initiated a voluntary contribution from all India employees to contribute to the Kerala & Karnataka floods and committed to make a matching contribution from the Company's CSR budget. The total contribution made by employees was INR 124,750 and accordingly the Company made a matching contribution of INR 124,750. The total amount of INR 249,500 was paid to GIVEINDIA with the understanding that they will transfer the money to GOONJ their NGO partner working for relief in the flood effected areas.

OnMobile Global Limited won 'Best Stakeholder Engagement' award in the Corporate Social Responsibility Summit & Awards 2019 conceptualized and curated by UBS FORUMS.

6. Reason for not spending the prescribed CSR expenditure: Not Applicable

7. CSR Responsibility Statement:

Implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company.

François-Charles Sirois
Executive Chairman and CEO

Rajiv Khaitan
Chairman - CSR Committee

Place: Montreal, Canada
Date: May 24, 2019

Annexure IX

Particulars of Employee Stock Option Schemes

As required under Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014

Particulars	Plan I 2003	Plan II 2003	Plan III 2006	Plan I 2007	Plan II 2007	Plan I 2008	Plan II 2008	Plan III 2008	Plan IV 2008	Plan I 2010	Plan II 2010	Plan I 2011	Plan I 2012	Plan I 2013
Pricing formula														
Options Outstanding on April 01, 2018	-	-	-	36,668	-	-	-	1,005,287	-	-	935,874	523,930	1,599,552	480,313
Options Granted During the Year	-	-	-	-	-	-	-	981,966	-	-	723,072	-	667,646	344,884
Options vested	-	-	-	11,801	-	-	-	226,580	-	-	13,542	436,930	583,754	46,605
Options Time extended During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Options Exercised During the Year	-	-	-	1,248	-	-	-	44,134	-	-	-	-	79,984	-
Total number of shares arising as a result of exercise of Options	-	-	-	1,248	-	-	-	44,134	-	-	-	-	79,984	-
Money realised by exercise of options (In ₹ Million)	-	-	-	0.05	-	-	-	1.27	-	-	-	-	2.65	-
Options Forfeited/Lapsed During the Year	-	-	-	23,619	-	-	-	800,521	-	-	947,332	87,000	1,210,814	466,362
Total number of options in force at the end of the year	-	-	-	11,801	-	-	-	1,142,598	-	-	711,614	436,930	976,400	358,835
Diluted earnings per share pursuant to issue of shares on exercise of options (₹)	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10
Weighted average exercise price per option (after adjusting for Bonus issue, if applicable) of the options whose														
a) Exercise price equals market price	-	-	-	36.43	-	-	-	41.93	-	-	40.81	33.08	35.94	46.29
b) Exercise price is greater than market price	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c) Exercise price is less than market price	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Method of calculating fair value of options	Fair valuation guidance note not applicable	Black-scholes valuation method												

Significant assumptions used for estimation of fair value:

Particulars	Plan III 2008	Plan II 2010	Plan I 2012	Plan I 2013
Stock price (₹)	42.32	40.18	40.18	40.18
Volatility	54.71%	54.67%	54.67%	54.67%
Risk free rate	7.65%	7.65%	7.65%	7.65%
Exercise price (₹)	42.32	40.18	40.18	40.18
Time to maturity (years)	4.34 years	4.34 years	4.34 years	4.34 years
Dividend yield (₹ Per option)	1.5	1.5	1.5	1.5

Notes:

1) There was no variation of the terms of options granted

2) Employee wise details of options:-

(i) Granted to Senior Managerial Personnel during the year:

Sr No.	Name	Designation	Scheme Name	Grant Date	No. of options granted	Exercise Price	% of total options granted during the year*
1.	François-Charles Sirois	Executive Chairman & CEO	-	-	Nil	-	-
2.	Ganesh Murthy	Chief Financial Officer	ESOP 3, 2008	27-July-18	300,000	42.88	11.04
3.	P V Varaprasad	Company Secretary	ESOP 1, 2013	16-May-18	28,800	40.18	1.06
4.	Sanjay Bhambri	President & Chief Operating Officer (India, Asia, Middle East & Africa)	ESOP 2, 2010	16-May-18	200,000	40.18	7.36
5.	Ignacio Martin Velasco	President & Chief Operating Officer (Europe, NAM & LATAM)	ESOP 2, 2010	16-May-18	200,000	40.18	7.36
6.	Laith Murad#	Chief Marketing Officer	ESOP 1, 2012	16-May-18	275,000	40.18	10.12
7.	Frederic Lavoie	Senior Vice President - Corporate Development	ESOP 3, 2008	16-May-18	200,000	40.18	7.36

resigned on October 31, 2018.

* total options granted 2,717,568

(ii) Granted to any other employee who receives a grant of options in any one year of options amounting to 5% or more of options granted during the year (total options granted 2,717,568)

Sr. No	Name of the employee#	Designation	Scheme Name	Grant Date	No. of options granted*	Exercise Price	% of total options granted during the year*
1.	Vikas Goel	Vice President - Delivery & Operations (Europe, NAM & LATAM)	ESOP1 2012 & ESOP1 2013	16-May-18	149,478	40.18	5.50
2.	Rafael Araujo Lima	General Manager- North America	ESOP1 2012	16-May-18	200,000	40.18	7.36

employees include employees of subsidiaries for the purpose of granting stock options.

* total options granted 2,717,568

(iii) None of the employees were granted options, during the year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.

3) Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Indian Accounting Standard (Ind AS) 33 'Earnings per Share'

Earnings Per share: Nominal value of ₹ 10 per share

Details	Consolidated		Standalone	
	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018
Basic (₹)	1.79	1.08	3.10	3.71
Diluted (₹)	1.79	1.08	3.10	3.71

For and on behalf of the Board of Directors

Place: Montreal, Canada
Date: May 24, 2019

François-Charles Sirois
Executive Chairman and CEO

Independent Auditors' Certificate

The Board of Directors
OnMobile Global Limited
Tower #1, 94/1C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bengaluru-560100

Dear Sirs

Certificate on implementation of share based employee benefit scheme in accordance with the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 and terms of the resolution of the Company passed in the general meeting

The Certificate is issued in accordance with the terms of our engagement letter dated 05 December 2018.

We, B S R & Co. LLP, the statutory auditors of OnMobile Global Limited ("the Company") have been requested to certify that the Company has complied with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('SEBI Regulations') as amended from time to time, in relation to the OnMobile Employee Stock Option Plans as rolled out by the Company. As per this regulation, the Board of Directors of every company that has passed a resolution for the Share Based Employee Benefit Schemes ('Schemes') is required to place before the shareholders at each annual general meeting, a certificate from the auditors of the company that the schemes have been implemented in accordance with these regulations and in accordance with the terms of the resolution passed by the company in the general meeting.

Management's Responsibility

The Company's management is solely responsible for ensuring that the Company's schemes have been implemented in accordance with the SEBI Regulations and in accordance with the terms of the resolutions passed by the Company and the preparation of the standalone financial statements including the preparation and maintenance of all accounting and other relevant supporting records and documents and an internal control structure sufficient to permit the timely and reliable recording of transactions and prevention and detection of frauds and errors.

Auditors' Responsibility

For the purpose of this certificate, we have relied on the audited financial statements of the Company for the year ended 31 March 2019 and information and documents as made available to us by the Company.

Based on this information and pursuant to the SEBI Regulations, it is our responsibility to certify that the Company's Schemes have been implemented in accordance with the SEBI Regulations and are in accordance with the terms of the resolution passed by the Company in the general meeting.

We have verified the books of accounts and other records maintained in relation to the scheme by the Company on a test check basis. We have also obtained appropriate representation from the Company's management.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on the examination carried out by us and the information and explanation provided to us, we certify, to best of our knowledge and belief, the schemes as listed in annexure I approved by the shareholders in their respective annual general meetings have been implemented in accordance with the provisions of the SEBI Regulations and in accordance with the terms of the resolution passed by the Company in the general meeting.

Restriction on Use

This certificate has been issued to the Company for placing before the Company's shareholders at its annual general meeting, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or 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 save where expressly agreed by our prior consent in writing.

for B S R & Co. LLP

Chartered Accountants
Firm's registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner
Membership Number: 060573
Unique Document Identification Number
(UDIN): 19060573AAAAAS7915

Bengaluru
24 May 2019

Annexure I to Independent Auditors' Certificate

S.No.	Plan	Shareholder's approval date
1.	OnMobile Employees Stock Option Plan – I 2003	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003
2.	OnMobile Employees Stock Option Plan – II 2003	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003
3.	OnMobile Employees Stock Option Plan – III 2006	24-Jul-06
4.	OnMobile Employees Stock Option Plan – I 2007	17-Aug-07
5.	OnMobile Employees Stock Option Plan-II 2007	17-Aug-07
6.	OnMobile Employees Stock Option Plan – I 2008	18-Apr-08
7.	OnMobile Employees Stock Option Plan II 2008	1-Aug-08
8.	OnMobile Employees Stock Option Plan III 2008	1-Aug-08
9.	OnMobile Employees Stock Option Plan IV 2008	31-Oct-08
10.	OnMobile Employees Stock Option Plan I 2010	24-Jul-10
11.	OnMobile Employees Stock Option Plan II 2010	24-Jul-10
12.	OnMobile Employees Stock Option Plan 2011	4-Aug-11
13.	OnMobile Employees Stock Option Plan 1, 2012	29-Aug-12
14.	OnMobile Employees Stock Option Plan 1, 2013	30-Jul-13

Annexure X

Secretarial Audit Report for the financial year ended March 31, 2019

(Pursuant to section 204(1) of Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Onmobile Global Limited,
E City, Tower 1,
94/1C and 94/2, Veerasandra Village,
Electronic City Phase 1,
Bengaluru - 560 100
Karnataka, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ONMOBILE GLOBAL LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2019** and made available to me, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Share

Based Employee Benefits) Regulations, 2014;

- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. Other laws applicable specifically to the Company, namely:
 - a) The Information Technology Act, 2000 and the rules made thereunder;
 - b) The Special Economic Zones Act, 2005 and the rules made thereunder;
 - c) Software Technology Parks of India rules and regulations, 2004;
 - d) The Indian Copy Right Act, 1957;
 - e) The Patents Act, 1970; and
 - f) The Trade Marks Act, 1999.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Guidelines mentioned above.

I further report that, during the year under review the Company has received following show cause/adjudication notices from Registrar of Companies, Karnataka (MCA) for certain violations/non compliances of provisions of Companies Act, 1956/2013 pertaining to the Inspection u/s 206(5) r/w 207 of Companies Act, 2013 carried out by the MCA during the years 2015-16 and 2016-17:

SL No	Show cause Notice reference/issuing authority	Details of violations
1	No ROC(B)/DROC(VSJ)/SCN/027860 Dt: 31.01.2019/Registrar of Companies, Karnataka	S 129 r/w AS-9 – non compliance of provisions of AS-9 regarding accounting and disclosure of FE transactions during the years 2014-15 and 2015-16
2	No ROC(B)/DROC(VSJ)/SCN/027860 Dt: 31.01.2019/Registrar of Companies, Karnataka	S 85- not making complete entries in the Register of charges.

SL No	Show cause Notice reference/issuing authority	Details of violations
3	No ROC(B)/DROC(VSJ)/SCN/027860 Dt: 31.01.2019/Registrar of Companies, Karnataka	S 121- non filing of e form MGT-15 for the AGM held for FY 2013-14 (The company had filed form MGT-15 along with GNL-2 as e-form was not available).
4	No ROC(B)/DROC(VSJ)/SCN/027860 Dt: 31.01.2019/Registrar of Companies, Karnataka	S 217(1) of Companies Act 1956- for non disclosures of lapses under procurement policy relating to procurements from few vendors in Directors Report for the financial year 2012-13
5	No ROC(B)/DROC(VSJ)/SCN/027860 Dt: 31.01.2019/Registrar of Companies, Karnataka	S 211 of Companies Act 1956- for excess provision against doubtful debts during fy 2012-13- non compliance of AS
Notice of adjudication / issuing authority		
6	No ROC(B)/DROC(VSJ)/SCN/027860 Dt: 31.01.2019/Registrar of Companies, Karnataka	S 12(3)(a)- for fixing name Board at inconspicuous and imperceptible place.

The Company has made applications for compounding of offences in respect of show cause notices listed under 1 to 5 above and in respect of item 6 pertaining to violation of section 12 of the Act, an adjudication order has been passed by the Registrar on March 15, 2019 vide order No ROCB/Sec 454(3)/ADJ/027860 and a penalty of ₹ 10,000 on the Company and ₹ 5,000 each on the officers in default has been imposed.

I further report that, there were no events/actions in pursuance of:

- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

requiring compliance thereof by the Company during the audit period.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of the Company Secretary / Chief Financial Officer / Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that, during the audit period there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

P.G. HEGDE

Hegde & Hegde

Company Secretaries

FCS:1325/C.P.No.: 640

Place: Bengaluru

Date: May 15, 2019

Management Discussion & Analysis

1. INDUSTRY TRENDS

The year 2018-2019 showed continued growth in mobile industry with smartphone penetration continuing to increase as well. The number of smartphone users is forecast to grow from 2.5 billion in 2018 to around 2.8 billion in 2020. Worldwide, the percentage of population to use smartphones is expected to grow to 48% by 2021. Growth in smartphone penetration is expected to drive the adoption of digital services.

5G continues to occupy the thought space as the next big thing in mobile as it is expected to provide faster, reliable, secure and agile wireless technology. A paradigm shift in networks is needed to realize 5G potential. Fifth generation (5G) wireless technologies will be gaining ground quickly, unleashing the full potential of augmented and virtual reality. A real game-changer in the world of mobile gaming, 5G promises to increase download and upload speeds exponentially and solve the problem of latency. The mobile gaming experience with 5G will be more immersive and engaging than ever, even when you stream games. 5G also dramatically improves the multi-player gaming experience.

2018 witnessed cross-industry alliances between Operators and Broadcasting companies. Operators tended to own or collaborate with the companies producing entertaining content, for example, popular TV shows, live sports games, etc. With mobile devices driving digital consumption, most of the data growth is attributed to different digital media especially entertainment services like video and audio.

Growing digital and smartphone penetration has significantly deepened the gaming user base with mobile first model driving user behavior. Launch of lower priced smartphones, declining cost of data and acceptance of digital payments have resulted in dramatic migration of online gamers to mobile phones.

The global app economy continues its impressive growth from 2018 to 2022. By 2022 the market expects mobile device install base to reach 6 Billion, a 56% growth from 2017. Annual mobile app downloads are expected to grow 45% to 258 Billion. In addition, consumer spend in app stores will continue to increase, with an expected 92% growth from 2017 to \$157 Billion annual consumer spend. Finally, the average consumer spend will reach \$26 per device, up 23% from 2017.

Consumer Trends

The digital services market showed very strong trends in Gaming, Video and Music Streaming. Mobile gaming will grow from \$51 Billion in 2018 to \$55 Billion by 2020, with growth expectations continuing to \$60 Billion by 2023. Revenue in the "Video Streaming (SVoD)" segment amounts to US\$22 Billion in 2018, and is expected to show an annual growth rate (CAGR 2019-2023) of 3.2% resulting in a market volume of US\$28 Billion by 2023. Revenue in "Music Streaming" segment amounts to US\$10 Billion in 2019, and is expected to show an annual growth rate (CAGR 2019-2023) of 4.1% resulting in a market volume of US\$13 Billion by 2023.

Fueled by mobile internet and smartphone growth, mobile messaging apps have become a strong force in the mobile app sector, offering users an alternative to SMS-based texting paired with social media elements. It is predicted that by 2020 the number of mobile phone messaging app users worldwide will touch 2.3 Billion. WhatsApp and Facebook are the most popular messenger apps basis the number of monthly active users. WhatsApp has 1.6B monthly active users followed by Facebook 1.3B monthly active users.

2. CHALLENGES

The pressure on operators' traditional mobile revenue continued due to a slowdown in unique subscriber growth arising from consolidation of telecom operators. To add to this, regulatory intervention in the form of policies for double confirmation, privacy, along with forex restrictions in certain countries, kept the environment challenging. Lastly, the shrinking operator wallet as more and more operators are offering bundled services, led to a drop in ARPU.

3. PRODUCT-WISE PERFORMANCE

Tones

- Tones acquisitions has increased by 6%
- Integrating RBT service with bundled packs has boosted user acquisitions by 8 times in BSNL.
- **Acquisitions Growth in Key Markets**
 - o MTN Zambia - 30% increase in acquisitions.
 - o Airtel India - 41% increase in acquisitions.
 - o Movistar Nicaragua - 21% increase in acquisitions.
- **New Operators on boarded**
 - o Zain Bahrain, Digicel Haiti, Telekom Kenya
- RBT churn went up by 13% in the current year resulting in a reduction of active subscriber base from 78M in FY 2017-18 to 63M in FY 2018-19

Video & Editorial

- 47% growth in acquisitions
- Active subscriber base has grown by 54%, from 535K in FY 2017-18 to 825K in FY 2018-19.
- **Launched Sports portal in Vodacom MZ, Safaricom & Airtel India.**
- Churn has increased by 19%

Games

- 45% growth in acquisitions
- Active subscriber has grown by 33%, from 144K in FY 2017-18 to 191K in FY 2018-19.
- **Launched games in Telefonica Spain, Globacom Nigeria & Safaricom Kenya.**
- Churn has increased by 34%.

Contest

- **For the first time Contest launched in an international market - Vodafone Qatar**
- Acquired 114K users in Vodafone Qatar
- Process improvements to reduce the TAT for new contest launch from 60 days to 15 days
- Acquisitions in Idea has increased by 4%. However overall acquisitions has dropped by 8%
- Active users has dropped from 10.7M in FY 2017-18 to 9.2M in FY 2018-19

4. OPPORTUNITIES

The combination of lower prices and increased content is beginning to resonate with users. Infrastructural improvements, data affordability, better quality of content, speed of streaming and downloading is amplifying the digital growth. OnMobile with its new suite of digital services products is ready to address the market demand. Our strategy to go beyond the operator wallet will enable OnMobile to expand its service offerings beyond telecom users by enabling premium mobile entertainment services to OEM's and mobile wallet operators.

5. RISKS AND CONCERNS

Operators are facing a series of challenges in the form of new waves of disruptive innovation. Regulatory frameworks are shifting as convergence and disruption undermine traditional markets. Stringent data protection policy, customer contact policy, double confirmation and reduction in promotional bandwidth is adding to the potential threat for the operators across markets.

In most of the mature and competitive markets, operators are migrating from traditional legacy bundles to non-legacy bundles. OTT video services are putting pressure on traditional bundles. Non-legacy bundles have the potential to attract new millennial users. Operators are offering bundles to consumers in a single package price, limiting the ability to sell additional value added services or content.

6. OUTLOOK

2019 - 2020 is poised to be a year of stabilization for OnMobile. As a global leader in mobile entertainment, we have expanded our suite of digital services and expect to gain even greater traction with operators offering additional value-added services.

We have recently acquired a Swedish Company Appland AB, which is a pioneer in cloud-based premium games and kids app. The acquisition reflects the increasing importance of OnMobile's strategy to become a leader in the fast-growing mobile games market and to expand its games footprints to all continents. ONMO Games provides unlimited access to a large collection of mobile games for a subscription fee.

OnMobile has pioneered the subscription model, with more than 100 million engaged consumers across 50+ countries paying for these services. OnMobile is a reliable billing provider for the carriers to manage their partner ecosystem by providing profitable business models like pay

per download, subscriptions, content bundles, pay per use, try n buy and much more. Finally, we are actively working with operators to have our services included in the bundled packages offered to consumers and have seen positive response.

We enable consumers with access to millions of local and international content, which helps carriers in content monetization & creates a long tail effect. We drive content discoverability and downloads with our AI powered intelligent campaign management platform & personalized recommendation engine.

In addition to working with carriers, OnMobile has started to work actively with non-operators in providing value added services & content like games, contests etc. During FY 2018-19 we entered into an agreement with bKash, the leading payment wallet provider in Bangladesh, to provide our services to bKash customers. Preparations are underway to launch services in FY 2019-20.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control and risk management are necessary prerequisites of corporate governance. The Corporate Governance Policy guides the conduct of affairs of the Company and clearly delineates the roles, responsibilities and authorities at each level with adequate system of internal controls. This ensures that all transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. Properly documented policies, guidelines and procedures laid down for this purpose, stand widely communicated across the enterprise to provide the foundation for Internal Financial Controls with reference to the Company's operations and financial statements. Such Financial Statements are prepared on the basis of the Significant Accounting Policies, in line with the applicable Accounting Standards, that are reviewed by management and approved by the Audit Committee and the Board.

The Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

The Company has a set of Standard Operating Procedures (SOPs) that have been established for individual processes. In addition to this, the Company has identified and documented the risks and control for each process that has a relationship to the operations and financial reporting. The Company uses SAP and other internally developed ERP systems as a business enabler and also to maintain its Books of Account. The SOPs in tandem with transactional controls built into the ERP systems ensure appropriate segregation of duties, approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, SOPs and controls are reviewed by the management and audited by Internal Auditors whose findings and recommendations are reviewed by the Audit Committee and tracked through to

implementation. The Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been assessed during the year taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial

Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessment carried out by management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed.

8. DISCUSSION ON CONSOLIDATED FINANCIAL PERFORMANCE FOR THE YEAR ENDED 2018-19

The consolidated financial statements relate to OnMobile Global Limited, referred to as “the Company” and its subsidiaries and associates together referred to as “the Group”.

RESULT OF OPERATIONS

(In ₹ Million except EPS)

	FY 2018-19	% of total revenue	FY 2017-18	% of total revenue	Growth %
Results from operations					
Telecom Value Added Services	5,938.64	-	6,356.05	-	(7)
Other Income	290.13	-	122.82	-	136
Total Income	6,228.77	-	6,478.87	-	(4)
Cost of Sales and Services	2,442.41	39	2,443.02	38	(0)
Contest expenses, cost of software licenses and others	277.19	4	365.04	6	(24)
Employee Benefits expense	1,776.81	29	1,890.25	29	(6)
Finance costs	0.76	0	1.06	0	(28)
Depreciation and amortization expense	272.23	4	479.12	7	(43)
Other expenses	1,146.25	18	1,008.46	16	14
Total Expenses	5,915.65	95	6,186.95	95	(4)
Profit before exceptional items and tax	313.12	5	291.92	5	7
Exceptional items	-	-	14.78	0	(100)
Profit before tax	313.12	5	277.14	4	13
Provision for taxation	124.25	2	163.69	3	(24)
Profit for the year	188.87	3	113.45	2	66
Share of Profit/(Loss) from Associate	-	-	-	-	-
Profit/(Loss) attributable to Shareholders of the Company	188.97	3	113.45	2	66
Other Comprehensive income (Net)	(126.78)	(2)	123.27	2	(203)
Total Comprehensive income (loss) attributable to the Owners of the Company	62.09	1	236.72	4	(74)
EPS- Basic	1.79	0	1.08	0	66
EPS –Diluted	1.79	0	1.08	0	66

Revenue

Revenue is derived from Telecom Value Added Services including Ring Back tones, Mobile entertainment and other services. Revenue from Telecom Value Added Services is recognized on providing the services in terms of revenue-sharing arrangements with the telecom operators. Revenue from Other Services including maintenance services are recognized proportionately over the period during which the services are rendered as per the terms of the contract.

The revenue for the FY 2018-19 was ₹ 5,938.64 Million as against ₹ 6,356.05 Million in FY 2017-18. The decline is mainly on account of aggressive competition in the Indian market. In the current year, international revenues include 6 months' revenue from our new acquisition, Appland, amounting to ₹ 66 Million.

The segmentation of revenue by geography is as follows:

	(In ₹ Million)				
	FY 2018-19	% of total revenue	FY 2017-18	% of total revenue	Growth %
India	1,005.80	17	1,486.90	23	-13
Outside India	4,932.84	83	4,869.15	77	1
Total Revenue	5,938.64		6,356.05		-7

Other Income

Other Income was ₹ 290.13 Million in the FY 2018-19 as compared to ₹ 122.82 Million in FY 2017-18. FY 2018-19 includes ₹ 127.20 Million net gain on foreign currency transactions and translations and ₹ 129.39 Million for interest earned on fixed deposits, profit from investments and dividend yield on mutual funds. For the previous year, Other Income comprised of ₹ 39.23 Million net loss on foreign currency transactions and translations and ₹ 114.81 Million for interest earned on fixed deposits and dividend yield on mutual funds.

The surplus funds of the Group continue to remain mainly invested in bank fixed deposits and debt funds in adherence to the Group's investment policy.

Cost of Sales and Services

Cost of Sales and Services consists of amount incurred towards content fee and contest expenses, cost of software licenses and other charges. Content fee is paid to content providers such as music label companies, royalty agencies, sports licensing authorities, games publishers and other content licensors, from whom content is procured by the Company. Cost of software licenses and other charges include the cost of software licenses and services used by the Company for providing services to the customers. During FY 2018-19, the cost of sales and services was ₹ 2,719.60 Million as against ₹ 2,808.06 Million incurred in FY 2017-18 with a drop of 3% mainly driven by lower revenues.

(In ₹ Million)

	FY 2018-19	% of total revenue	FY 2017-18	% of total revenue	Growth %
Content fee	2,442.41	39	2,443.02	38	-0
Contest expenses, cost of software licenses and others	277.19	4	365.04	6	-24
Cost of sales and Services	2,719.60	43	2,808.06	44	-3

Employee Benefits Expense

Employee Benefits Expense comprise of salaries paid to employees, contribution made to various employee welfare funds and expenses incurred towards welfare of the employees.

During the FY 2018-19, the Group incurred a cost of ₹ 1,776.81 Million as against ₹ 1,890.25 Million in FY 2017-18, thus representing a decrease of 6% from the previous year. The decrease was primarily on account of manpower rationalization measures undertaken in international geographies like Europe, Latam and North America.

The total employee strength of OnMobile Global Limited and its subsidiaries as on March 31, 2019 was 796.

Finance Charges

Finance Charges represent interest paid/payable towards working capital loan and term loan. During FY 2018-19, the Company incurred Finance Charges of ₹ 0.76 Million as compared to ₹ 1.06 Million in FY 2017-18.

Depreciation and Amortisation

The Group provided a sum of ₹ 272.23 Million and ₹ 479.12 Million towards Depreciation and Amortization for the FY 2018-19 and FY 2017-18, respectively, thus representing a fall of 43% over the previous year. Decrease in Depreciation and Amortization is on account of reduction in depreciation and amortization charges for intangible assets as they were fully amortized.

Depreciation and Amortization on assets is provided on a monthly basis using the straight-line method based on useful/commercial lives of these assets as estimated by the Management, other than for market development and deployment rights, which is amortized over its useful/ commercial life in time proportion of its economic benefits, that are expected to accrue to the Company. The amortization method is reviewed at each year-end for any significant change in the expected pattern of the economic benefits. Expenditure incurred on research and development is not being capitalized.

Other Expenses

In the FY 2018-19, Other Expenses increased by 14% to ₹ 1,146.25 Million as against ₹ 1,008.46 Million incurred in FY 2017-18. The break-up of the expenses is as follows:

(In ₹ Million)

	FY 2018-19	% of total revenue	FY 2017-18	% of total revenue	Growth %
Legal, professional & consultancy charges (including Remuneration to Auditors)	250.43	4	227.66	4	10
Marketing Expenses	339.06	5	223.16	3	52
Rent and other facilities cost	131.00	2	127.25	2	3
Travelling and Conveyance	124.18	2	135.25	2	-8
Communication charges	52.31	1	65.22	1	-20
Rates and taxes	19.42	0	28.91	0	-33
Others	229.85	4	201.01	3	14
Total	1,146.25	18	1,008.46	16	14

Exceptional Items

During the previous year ended March 31, 2018, the Venezuela Government devalued its currency Venezuelan Bolivar Fuerte (VEF). The effect of restatement of the assets and liabilities from foreign currency (VEF) to functional currency at the period end rates on such devaluation amounting to ₹ 14.78 Million for the year was presented as exceptional item in FY 2017-18. There is no exceptional item in FY 2018-19.

Profit before Tax

The Profit/(Loss) before Tax of ₹ 313.12 Million in the current FY 2018-19, as compared to ₹ 277.14 Million during the previous year, represents a 13% increase in profitability over the previous year.

Provision for Taxation

The amount provided for taxation in the current FY 2018-19 is ₹ 124.25 Million as against ₹ 163.69 Million provided in FY 2017-18 and this represents a 24% decrease in tax expense over the previous year. Effective tax rate in FY 2018-19 declined to 39.7% from 59.1% in FY 2017-18 as a result of lower tax losses from some of the overseas subsidiaries.

Other Comprehensive Income

Other Comprehensive income for the year 2018-19 includes loss of ₹ 122.68 Million on account of exchange differences in translating the financial statements of foreign operations and loss of ₹ 6.31 Million due to re-measurements of defined benefit liabilities. Other Comprehensive income /(loss) was ₹ (126.78) Million in FY 2018-19 as compared to ₹ 123.27 Million in the FY 2017-18.

Total Comprehensive Income for the year

The Total Comprehensive Income is ₹ 62.09 Million in the current FY 2018-19, as compared to ₹ 236.72 Million during the previous FY 2017-18.

FINANCIAL CONDITION

Non-Current Assets

Property, Plant and Equipment, Capital Work-in-Progress and Intangible Assets

The Company incurred an amount of ₹ 808.27 Million (₹ 346.22 Million in the previous year) as capital expenditure during the FY 2018-19. Additions to the gross block mainly comprise of intangible assets capitalized on account of acquisition of Appland amounting to ₹ 802.29 Million.

Capital Work-in-Progress represents the cost of the assets that are not ready for their intended use at the Balance Sheet date. There is a decrease of ₹ 12.78 Million in Capital Work-in-Progress on account of assets put to use during the FY 2018-19.

Non-current Financial Assets

Non-current Financial Assets include Investments, Loans and Other Financial Assets. There is an increase of ₹ 15.05 Million during the FY 2018-19, mainly on account of regrouping of security deposits from current Financial Assets.

Other Non-Current Assets

Other Non-Current Assets as on March 31, 2019 are ₹ 1,954.58 Million as compared to ₹ 1,819.36 Million as on March 31, 2018, representing an increase of ₹ 135.23 Million. The increase is primarily on account of payment of advance tax and increase in deferred tax assets.

Current Assets

Current Investments

Current Investments as on March 31, 2019 is ₹ 1,916.50 Million as compared to ₹ 1,203.30 Million as at March 31, 2018.

Trade receivables

The Trade Receivables (net of Provision for Doubtful Trade Receivables) amount to ₹ 1,651.26 Million as on March 31, 2019 as against ₹ 1,707.88 Million as on March 31, 2018.

Cash and cash equivalents

Cash and cash equivalents as on March 31, 2019 is ₹ 2,722.54 Million as against a balance of ₹ 3,051.63 Million as on March 31, 2018. The Group generated net cash of ₹ 423 Million from operating activities which was utilized towards acquisition of Appland, and other financing activities like payment of dividend.

Loans

Loans and advances outstanding as on March 31, 2019 is ₹ 11.24 Million as compared to ₹ 31.68 Million outstanding as on March 31, 2018, thus representing a decrease of ₹ 20.44 Million mainly on account of security deposits reclassification to non-current.

Other financial assets

The Other financial assets as on March 31, 2019 is ₹ 633.01 Million as compared to ₹ 649.57 Million as on March 31, 2018, representing a decrease of ₹ 16.56 Million. The decrease was mainly on account of decrease in unbilled revenue and accrued interest on deposits.

Other current assets

Other current assets as on March 31, 2019 is ₹ 488.13 Million as compared to ₹ 258.83 Million outstanding as on March 31, 2018, representing an increase of ₹ 229.30 Million mainly on account of increase in Prepaid expenses and Balances with Statutory Authorities.

Equity and Liabilities

Equity

Equity Share Capital

The Authorized Share Capital of the Group is ₹ 1,500 Million, comprising of 149,500,000 equity shares of ₹ 10/- each and 500,000 preference shares of ₹ 10/- each.

As at March 31, 2019, the Group has 105,696,202 equity shares of ₹ 10/- each as Issued, Subscribed and Paid-up Capital which increased from 105,570,836 equity shares of ₹ 10/- each as at March 31, 2018. The increase was on account of allotment of 125,366 shares pursuant to the employee stock options exercised by employees during the year.

Other Equity

A summary of the Other Equity is given below:

(In ₹ Million)		
	As at March 31, 2019	As at March 31, 2018
Capital Redemption Reserve	154.00	154.00
Securities premium	2,403.49	2,399.26
Stock Options outstanding	142.53	124.06
General Reserve	13.20	13.20
Foreign Currency Translation Reserve	(53.79)	68.89
Retained Earnings	1,936.39	1,938.66
Other items of Other Comprehensive Income	5.14	9.24
Total	4,600.96	4,707.31

The increase in securities premium account of ₹ 4.23 Million during the year was mainly on account of allotment due to exercise of employee stock options during the year.

Foreign Currency Translation Reserve comprises of the exchange difference relating to the translation of the financial results and net assets of the Company's foreign operations from their respective functional currencies to the Company's presentation currency.

The surplus retained in the Statement of Profit and Loss as at March 31, 2019 is ₹ 1,936.39 Million.

The total Net Worth of the Group as at March 31, 2019 is ₹ 5,657.92 Million with the book value of each share being ₹ 53.53/- (Face value of ₹ 10/- each). The corresponding numbers for the previous FY are ₹ 5,763.02 Million and ₹ 54.59 respectively.

Liabilities

Non-Current Liabilities

Long-term provisions

The Long-term Provisions outstanding as on March 31, 2019 are ₹ 38.06 Million as compared to ₹ 37.55 Million as on March 31, 2018, thus representing an increase of ₹ 0.51 Million. The increase is primarily on account of increase in provision for compensated absences based on accumulated leave credits of the employees.

Deferred Tax Liability

Deferred Tax Assets and Liabilities are recognized for the future tax consequences of temporary differences between carrying values of the assets and liabilities and their respective tax bases and are measured using enacted tax rates applicable on the Balance Sheet date. Deferred Tax Assets are recognized subject to management's judgment that realization is virtually certain. The Deferred Tax Liability represents the deferred tax liability of the Group and as on March 31, 2019 is ₹ 1.36 Million as compared to ₹ 1.08 Million as on March 31, 2018.

Current Liabilities

The Current Liabilities outstanding as on March 31, 2019 are ₹ 3,028.29 Million as compared to ₹ 2,341.47 Million as on March 31, 2018, thus representing an increase of ₹ 686.82 Million. Increase is mainly on account of increase in trade payables and other current liabilities.

Ratios

	As at March 31, 2019	As at March 31, 2018
Debtors Turnover	0.28	0.27
Inventory Turnover	N.A	N.A
Interest Coverage Ratio	N.A	N.A
Current Ratio	1.82	2.43
Debt Equity Ratio	N.A	N.A
Operating Profit Margin (%)	1.45	3.24
Net Profit Margin (%)	3.18	1.78

Debtors turnover ratio as on March 31, 2019 is 0.28 and remain almost the same as last year. Current ratio as on March 31, 2019 is 1.82 as compared to 2.43 in the last year. This is mainly due to the increase in trade payables in the current year. Revenue decline year on year has impacted the operating profit margin% which registered a drop in the current year to 1.45% from 3.24% last year. Net profit margin % has improved in the current year March 2019 at 3.18 % as compared to 1.78 % in the last year due to reduction in the taxes of the current year FY18-19.

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Right- people Approach

FY 2018-19 was a year with clear focus on engaging employees and aligning their performance to our business imperatives.

Talent Management & Employee Engagement

Continuing with our efforts towards attracting and retaining the right talent, in 2018-19 our focus has been on a sustainable employee experience throughout the life cycle. Right from attracting the best from the talent pool to induction, to performance management and learning, we have ensured satisfaction at every step.

Sourcing a right mix of candidates through diverse channels including social media interactions with a huge focus on resuming campus hiring has been our main focus this year. We have initiated a revamped and a more attractive employee referral program called **Work Mate** and we continue to leverage the online assessment tool for a fair and effective evaluation. A robust buddy system, induction program and employee connect through brown-bag initiatives have helped employees settle down quickly and smoothly into performance mode.

In line with our business priorities, we enhanced our skill profile through our internal system of trainings on various

products and technology. We continued our legacy of promoting a culture of self-learning through our e-learning portals. Our focus was on curating the learning content to suit the employees' individual and functional growth needs. We introduced them to learning communities and best practices in the industry so that learning could be accessed on the go.

We also invested in an array of life skill and fitness programs/ various celebrations which were received very well by the employees. We believe that an engaged, happy employee is most productive and so introduced a fun at work concept where employees take a break and participate in fun activities.

10. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the industry' projections and estimates (which are based on reliable third party sources) as well as Company's objectives, estimates, projections and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, changes in Government regulations, tax laws and other factors such as litigation and labour relations.

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: The Corporate Identity Number allotted by the Ministry of Company Affairs, Government of India is **L64202KA2000PLC027860**
2. Name of the Company: OnMobile Global Limited
3. Registered address: Tower#1, 94/1C & 94/2 Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City Phase-1, Bengaluru-560100, Karnataka, India.
4. Website: www.onmobile.com
5. E-mail id: investors@onmobile.com
6. Financial Year reported: 2018-2019
7. Sector(s) that the Company is engaged in (industrial activity code-wise) : Telecom-Value Added Services (NIC Code:61900)
8. List three key products/services that the Company manufactures/provides (as in balance sheet)
The 3 key products of OnMobile Global Limited are:
 - i. Ring Back Tones(RBT)
 - ii. Converged Value Added Services(CVAS)
 - iii. Infotainment services
9. Total number of locations where business activity is undertaken by the Company
 - (a) Number of International Locations (Provide details of major 5)
 - i. Asia Pacific
 - ii. Middle-East & Africa
 - iii. Europe
 - iv. North America
 - v. Latin America
 - (b) Number of National Locations
 - i. Gurgaon (Branch)
 - ii. Mumbai (Branch)
 - iii. Bengaluru (Registered Office)
10. Markets served by the Company – Local/State/ National/International: OnMobile Global Limited provides its services in more than 70 countries worldwide.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (₹) : 1,056.96 Mn
2. Total Turnover (₹) : 2,295.20 Mn
3. Total profit after taxes (₹) : 328.02 Mn

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 2.74%
5. List of activities in which expenditure in 4 above has been incurred:-

In line with the CSR activities listed in Schedule VII of the Companies Act, 2013, the Company has identified health care including preventive health care as its primary focus area and decided to fund free hearing aids for the needy. The Company identified the focus area having relevance to the Company's core offering, enabling people to express themselves through sound as this CSR initiative aligns Company's identity with a relevant cause. OnMobile has associated with Society to Aid the Hearing Impaired (SAHI), a registered NGO working with hearing impaired underprivileged children from rural background and made a contribution of ₹ 6,672,000 and with another NGO called VAANI based out of Bengaluru and made a contribution of ₹ 2,202,904 in phases during the financial year 2018-19. This was done to support Cochlear Implants, Micro Ear Surgeries, Post-surgical rehabilitation and Hearing Aids for the needy and to increase community and care-taker awareness and engagement towards the cause.

Company initiated a voluntary contribution from all India employees to contribute to the Kerala & Karnataka floods and committed to make a matching contribution from the Company's CSR budget. The total contribution made by employees was ₹ 124,750 and accordingly the Company made a matching contribution of ₹ 124,750. The total amount of ₹ 249,500 was paid to GIVEINDIA with the understanding that they will transfer the money to GOONJ their NGO partner working for relief in the flood effected areas.

OnMobile Global Limited won 'Best Stakeholder Engagement' award in the Corporate Social Responsibility Summit & Awards 2019 conceptualized and curated by UBS FORUMS.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?
Yes.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN Number : 00071487
2. Name : Rajiv Khaitan
3. Designation : Independent Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00071487
2	Name	Rajiv Khaitan
3	Designation	Independent Director
4	Telephone number	+91 080-4339 7000
5	e-mail id	rajiv.khaitan@khaitanco.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	N	Y	N	Y	N	N	N	N
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	Y	NA	Y	NA	NA	NA	NA
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Anti-Bribery Policy is also in conformity to a. The Foreign Corrupt Practices Act, 1977 (FCPA) b. The Bribery Act, 2010 (UKBA)	NA	It is governed by Sexual harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013	NA	Child labour/forced labour is governed as per International Labor Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work	NA	NA	NA	NA
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	NA	Y	NA	Y	NA	NA	NA	NA
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	NA	Y	NA	Y	NA	NA	NA	NA
6	Indicate the link for the policy to be viewed online?	http://www.onmobile.com/sites/default/files/Code_of_Conduct.pdf	NA	http://www.onmobile.com/sites/default/files/Code_of_Conduct.pdf	NA	http://www.onmobile.com/sites/default/files/Code_of_Conduct.pdf	NA	NA	NA	NA
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Internal stakeholders through intranet and External stakeholders through company website	NA	Yes. Internal stakeholders through intranet and External stakeholders through company website	NA	Yes. Internal stakeholders through intranet and External stakeholders through company website	NA	NA	NA	NA
8	Does the company have in-house structure to implement the policy/ policies?	Y	NA	Y	NA	Y	NA	NA	NA	NA
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	NA	Y	NA	Y	NA	NA	NA	NA
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	NA	Y	NA	Y	NA	NA	NA	NA

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	✓	-	✓	-	✓	✓	✓	✓
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

Note:BRR is not mandatory for OnMobile as the Company is not included in the list of top 500 companies of National Stock Exchange of India Ltd. (NSE) or BSE Ltd. (BSE) as per the market capitalization as on March 31, 2017; March 31, 2018 and March 31, 2019. Since the Company is into Telecom Value Added Services, it does not have any specific policies which are covered for manufacturing organizations. However, the Corporate Policies relevant to Company's business are framed and/or modified from time to time. Policies have been implemented and followed over a period as per industry norms and/or best practices.

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board of Directors/ Committees of the Board / CEO would assess the BR performance of the Company as and when required.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes. OnMobile is not included in the list of top 500 companies of National Stock Exchange of India Ltd. (NSE) or BSE Ltd. (BSE) as per the market capitalization as on March 31, 2017; March 31, 2018 and March 31, 2019. However, the Company is publishing BRR in the Annual Report 2019 on a voluntary basis. The hyperlink is <http://www.onmobile.com/sites/default/files/FY-2019-Annual-Report.pdf>.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? No.

Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others? Yes.

The Company has adopted the Code of Business Conduct and Ethics, which details the minimum acceptable ethical and responsible business practices for employees, agents, suppliers, vendors, NGOs and business partners. The Company is committed to transparency and best practices. This code warrants compliance with laws prohibiting child labor, taking responsibility for the health and safety of their employees.

Also, the Company has adopted Anti-Bribery Policy, which aims to set up a framework to facilitate the Company and its employees to comply with the international standards on anti-bribery and to communicate the Company's views and values on anti - bribery compliance. This Policy is applicable to all employees of the Company (including Board of Directors), agents, vendors, venture partners, business partners, customers/ clients, associates, contract/ sub-contractors, interns and other third parties/affiliates.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

One complaint received – a Whistleblower raised flag about certain corrupt practices at our Kenya subsidiary at OnMobile Kenya Telecom Limited. The same is being investigated through PwC and a final report was received. Suitable action was taken on receipt of the final report from PwC.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company's business activity is to cater to mobile entertainment services to mobile operators. The Company complies with applicable laws and regulations.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional).

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Since the Company's business activity is to cater mobile entertainment services to mobile operators and not related to any manufacturing activity, the reporting on use of energy, water, raw material etc., is not applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company maintains a healthy relationship with its content providers, vendors and other suppliers and the business policies of the Company include them in its growth.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Most of the mobile entertainment services provided by the Company through mobile operators is based on video, music, gaming and editorial content procured or sourced locally from the content providers of respective geographies.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

As the Company is a service provider, it does not discharge any effluent or waste.

Principle 3

- Please indicate the Total number of employees: 788 (OnMobile Global Limited only)
- Please indicate the Total number of employees hired on temporary/contractual/casual basis: Nil
- Please indicate the Number of permanent women employees:146
- Please indicate the Number of permanent employees with disabilities: Nil
- Do you have an employee association that is recognized by management: Nil
- What percentage of your permanent employees is members of this recognized employee association? N.A
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	1	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees: 40%
 (b) Permanent Women Employees:30%
 (c) Casual/Temporary/Contractual Employees: Nil
 (d) Employees with Disabilities: NA

Principle 4

- Has the company mapped its internal and external stakeholders? No
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? No
- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so? No

Principle 5

- Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
 Yes. The Company's Policy on Human Rights covers not only the Company but extends to its Group Companies, Joint Ventures, Suppliers and Contractors etc.
- How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? Nil.

Principle 6

- Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.
 No Policy relating to Principle 6.
- Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.
 Since there are no production activities undertaken by the Company, there are no initiatives taken for addressing global environmental issues.
- Does the company identify and assess potential environmental risks?
 No.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Since the Company works on software related (Telecom VAS) activities, no project related to Clean Development Mechanism has been undertaken.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc? Y/N. If yes, please give hyperlink for web page etc.
No.
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?
Yes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause/ legal notices has been received from CPCB/SPCB.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
Yes. Bangalore Chamber of Industry and Commerce
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)
No.

Principle 8

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company identified the focus area having relevance to the Company's core offering, enabling people to express themselves through sound as this CSR initiative aligns Company's identity with a relevant cause. OnMobile has associated with Society to Aid the Hearing Impaired (SAHI), a registered NGO working with hearing impaired underprivileged children from rural background. The Company also partnered with a Bengaluru based NGO VAANI which works in the space of providing sound and communication to the hearing impaired. In addition to this, the Company made a contribution towards Karnataka and Kerala flood relief through Give India.

2. Are the programmes /projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The CSR initiatives taken up by the Company are in association with Society to Aid the Hearing Impaired (SAHI). SAHI is a group of ENT surgeons, audiologists and hospital management professionals who came together in year 2004 to launch the organization.

Further, the Company partnered with another NGO working in the same space called VAANI.

3. Have you done any impact assessment of your initiative?

After the release of funds ₹ 3,300,000 for the first phase of contribution to SAHI the Company assessed the effectiveness of utilization of the contributions made. After the assessment, the Company released funds of ₹ 3,372,000 as second phase of contribution and the funds have been utilized.

In addition to this, fund for VAANI was also released in two phases of ₹ 1,101,452 each. The funds have been utilized appropriately and we assessed the utilization impact.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company contributed ₹ 6,672,000 to Society to Aid the Hearing Impaired (SAHI), a registered NGO working with hearing impaired underprivileged children from rural backgrounds. This was used for conducting hearing screening camps, distribution of hearing aids and cochlear implant surgeries. Two major projects that the Company is funding are 'Gift an ear' and 'Girl child' projects. The company released ₹ 2,202,904 for VAANI sponsors. This was spent on the awareness programs in sub-urban areas, distribution of hearing aids, tech and admin support, Teach for the Deaf project and employees' engagement.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, the employees participated in the hearing camps for distribution of hearing aids and other community reach programs. Company has testimonials from various stakeholders to validate the impact of such initiatives. Company won 'Best Stakeholder Engagement' award in the Corporate Social Responsibility Summit & Awards 2019 conceptualized and curated by UBS FORUMS.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Tickets - We get about 4200 customer tickets per year and we have about 30 open tickets. This amount to about 0.83% tickets open.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)
NA

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.
No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?
We do not conduct any surveys.

INDEPENDENT AUDITORS' REPORT

To the Members of ONMOBILE GLOBAL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Onmobile Global Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Investments in subsidiaries – See note 4 to the standalone financial statements	
The key audit matters	How the matter was addressed in our audit
<p>The Company is carrying significant investment in subsidiaries amounting to INR 3,253.49 million (net of impairment provision amounting to INR 568.11 million) as at 31 March 2019.</p> <p>The annual impairment testing was significant to our audit, because of the financial quantum of the assets in the context of the standalone financial statements as well as the fact that the testing relies on critical judgements, estimates and assumptions.</p> <p>Significant judgment is required in forecasting the future cash flows, together with the rate at which they are discounted.</p>	<ul style="list-style-type: none">• Testing operating effectiveness of controls over the review of the impairment analysis.• We evaluated the forecasts by comparing them with the historical growth trends, agreeing the forecast used in prior year models to its actual performance of the business and also agreed to the management approved plans.• We reviewed the sensitivity analysis prepared by the Management to test the reasonably possible change in key assumptions used in the valuation carried out and its consequential impact on impairment analysis, if any.
Recoverability of Trade receivables (including unbilled receivables) and receivables from subsidiaries (including unbilled receivables) (Refer note 6 and note 10 to the Standalone financial statement)	
The key audit matters	How the matter was addressed in our audit matter
<p>The Company has trade receivables including unbilled receivables from external parties amounting to INR 567.15 million (net of allowance for expected credit loss INR 169.50 million) and receivables from subsidiaries amounting to INR 876.08 million (net of expected credit loss INR 333.28 million) as at 31 March 2019.</p>	<ul style="list-style-type: none">• Tested the design of internal financial controls and operating effectiveness of the relevant key controls;

Key Audit Matters (Continued)

The key audit matters	How the matter was addressed in our audit matter
<p>The Company's customers and subsidiaries operate in a number of geographical locations having different credit profiles.</p> <p>Management judgement is required in determining the appropriate level of allowance for expected credit losses to be recorded in respect of such receivables using the life time expected credit losses analysis.</p> <p>Recoverability of trade and other receivables was an area of focus for us because of significance of the amounts involved in context of the standalone financial statements and the fact that it involved critical estimates.</p>	<ul style="list-style-type: none"> Enquired with Company's management of the significant and long overdue balances with reference to recent history of settlement, default or disputes and the ageing profile of the relevant trade and other receivables and receivables from subsidiaries. Reviewed the appropriateness of level of allowance for expected credit losses by considering the historical cash collection trends and the local economic environment in each of the geographies.
Recoverability of deferred tax assets (Refer note 28 to Standalone financial statements)	
The key audit matters	How the matter was addressed in our audit matter
<p>The balance of deferred tax assets recognized as at 31 March 2019 in the standalone financial statements is INR 526.30 million which includes Minimum Alternate Tax ('MAT') entitlement credits amounting to INR 273 million arising on account of tax holiday benefits enjoyed by the Company.</p> <p>Assessment of recoverability of such MAT credits and deferred tax assets require management to prepare forecasts for future profitability and potential tax liabilities, which involves significant judgment and accordingly was an area of focus.</p>	<p>Our audit procedures included assessing the revenue and profit forecast against the historical performance, remaining period of tax holiday benefit which the Company enjoys.</p> <p>We also assessed the sensitivity of key assumptions including the growth rate and the impact of tax holiday benefit for future years on the ability to utilize the MAT credits.</p>

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises of Management Reports such as Board's Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report (but does not include the Financial Statements and our Auditor's Report thereon) which we obtained prior to the date of this Auditor's Report, and the remaining reports, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;
 - b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 34 to the standalone financial statements;
 - c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and
 - d) The disclosures in the Standalone Ind AS Financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these Standalone Ind AS Financial Statements since they do not pertain to the financial year ended 31 March 2019.
- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership No: 060573

Bangalore

24 May 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

In respect of the Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements of Onmobile Global Limited for the year ended 31 March 2019. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and basis our examination of the records of the Company, the Company does not hold any immovable properties as at 31 March 2019.
- (ii) The Company does not have any physical inventories and thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us the Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans have been granted to the companies listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loans granted covered in the register maintained under Section 189 of the Act, the principal and interest are repayable on demand and there were no demand for repayments during the year.
 - (c) There are no overdue amounts in respect of the loans granted to companies covered in the register maintained under Section 189 of the Act
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given, as applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits during the year.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' State insurance, income-tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited during the year with the appropriate authorities. According to the information and explanation given to us, the Company did not have any dues on account of sales tax, duty of customs and duty of excise.
 According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, Cess and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income-tax or service tax or goods and service tax or duty of Customs or duty of excise or value added tax which have not been deposited by the Company on account of any disputes, except for the following:

Name of the statute	Nature of dues	Amount disputed (INR in million)	Period to which the amount relates	Forum where dispute is pending
Income-tax Ordinance, 1984, Bangladesh	Income tax	3.25	FY 2009-10	High Court of Bangladesh
Income-tax Act, 1961	Income tax	1.16	FY 2007-08	High Court of Karnataka
Income-tax Act, 1961	Income tax	127.32	FY 2013-14	Dispute Resolution Panel (DRP)
Income-tax Act, 1961	Income tax	20.01	FY 2014-15	Income Tax Appellate Tribunal (ITAT)
Finance Act, 1994	Service tax	5.51	FY 2006-07 to FY 2008-09	CESTAT

* net of amounts paid under protest and/or adjusted against refunds.

- (viii) The Company does not have any loans or borrowings from financial institutions, banks and government or has not issued any debentures.
- (ix) According to the information and explanations given to us, the Company has not raised any money by way of public issue or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals as per the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership No: 060573

Bangalore

24 May 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Annexure B to the Independent Auditor's Report of even date on standalone financial statements of Onmobile Global Limited for the year ended 31 March 2019

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Onmobile Global Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership No: 060573

Bangalore

24 May 2019

BALANCE SHEET

(₹ in millions, except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	140.37	255.50
Capital work-in-progress		7.33	21.25
Intangible assets	3	1.81	4.15
Financial assets			
Investments	4	2,685.38	1,012.16
Loans	7	84.01	1,199.09
Other financial assets	9	117.77	151.38
Income tax assets (net)		1,009.82	993.85
Deferred tax assets (net)	28	526.30	437.48
Other non-current assets	12	163.54	164.30
		4,736.33	4,239.16
Current assets			
Financial assets			
Investments	5	1,916.50	1,203.30
Trade receivables	6	423.42	554.50
Cash and cash equivalents	11a	294.88	695.46
Other bank balances	11b	11.91	48.69
Loans	8	4.85	4.78
Other financial assets	10	917.98	1,508.05
Other current assets	13	110.22	101.54
		3,679.76	4,116.32
TOTAL		8,416.09	8,355.48
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,056.96	1,055.71
Other equity	15	6,213.00	6,044.23
		7,269.96	7,099.94
Liabilities			
Non-current liabilities			
Provisions	17	38.06	34.32
		38.06	34.32
Current Liabilities			
Financial liabilities			
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	16	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	16	903.33	986.07
Other financial liabilities	19	68.80	94.45
Provisions	18	37.54	19.72
Other current liabilities	20	98.40	120.98
		1,108.07	1,221.22
TOTAL		8,416.09	8,355.48
Significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants
Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner
Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer
DIN- 06890830

Ganesh Murthy

Chief Financial Officer

Sanjay Baweja

Director
DIN- 00232126

P V Varaprasad

Company Secretary
Membership Number- FCS 5877

Place : Bengaluru
Date : May 24, 2019

Place : Montreal, Canada
Date : May 24, 2019

STATEMENT OF PROFIT AND LOSS

(₹ in millions, except share and per share data, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
INCOME			
Revenue from operations	21	2,295.20	2,777.64
Other income	22	518.22	395.30
Total income (A)		2,813.42	3,172.94
EXPENSES			
Content fees and royalty		169.20	194.44
Contest expenses, cost of software licenses and others	23	287.73	379.00
Employee benefit expenses	24	1,127.19	1,306.68
Finance costs	25	0.43	1.06
Depreciation and amortisation expense	26	67.50	121.30
Other expenses	27	775.26	749.22
Total expenses (B)		2,427.31	2,751.70
Profit before exceptional item and tax (C) = (A-B)		386.11	421.24
Exceptional item (D)	39	12.70	-
Profit before tax (E) = (C-D)		373.41	421.24
Tax expense			
Current tax	28	132.00	115.64
Deferred tax	28	(86.61)	(83.36)
Net tax expense (F)		45.39	32.28
Profit for the year (G) = (E-F)		328.02	388.96
Other comprehensive income (Net)			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of the defined benefit liabilities / (asset)			
Income tax relating to items that will not be reclassified to profit or loss		(6.31)	26.71
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences in translating the financial statements of foreign operations		13.29	18.04
Other comprehensive income for the year		9.19	35.51
Total comprehensive income for the year		337.21	424.47
Earnings per equity share			
1. Basic (Face value of equity share of ₹ 10/- each)	35	3.10	3.71
2. Diluted (Face value of equity share of ₹10/- each)		3.10	3.71
Significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer

DIN- 06890830

Ganesh Murthy

Chief Financial Officer

Sanjay Baweja

Director

DIN- 00232126

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru

Date : May 24, 2019

Place : Montreal, Canada

Date : May 24, 2019

CASH FLOW STATEMENT

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	328.02	388.96
Adjustments for :		
Adjustments to reconcile profit before tax to net cash flow:		
Income tax expense recognised in the statement of profit and loss	45.39	32.28
Depreciation and amortisation expense	67.50	121.30
Impairment/ write-off of Investment in subsidiaries	12.70	-
Unrealised foreign exchange gain	(82.67)	(330.82)
Loss/(Gain) on disposal of Property plant and equipment (Net)	20.78	(4.21)
Gain on sale/ redemption of Investment (Net)	(246.72)	-
Provision for doubtful trade receivables (Net)	78.24	16.97
Share based payments	19.99	34.59
Dividend income	(29.79)	(253.52)
Finance cost	0.43	1.06
Interest income	(46.59)	(70.80)
Operating profit/(loss) before working capital changes	167.28	(64.19)
Changes in operating assets and liabilities:		
Trade receivables	66.72	85.22
Other assets	445.10	129.57
Trade Payables and other liabilities	(86.09)	(85.98)
Cash generated from operations	593.01	64.62
Direct taxes paid (net of refunds)	(133.44)	(10.48)
Net cash generated from operating activities	459.57	54.14
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets including capital advances	(41.48)	(53.57)
Proceeds from sale of tangible assets	67.57	10.00
Sale, redemption/ (purchase) of short term investments (net)	(642.59)	(272.99)
Sale, redemption/ (purchase) of Long term investments	204.26	-
(Purchase) / sale of investment in subsidiaries (net)	(482.37)	-
(Increase)/decrease in other bank balances	36.77	(45.47)
Dividend income	29.79	253.52
Interest received	50.06	19.30
Net cash used in investing activities	(777.99)	(89.21)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	3.96	40.30
Finance cost	(0.43)	(1.06)
Dividend paid including tax	(191.14)	(183.99)
Net cash used in financing activities	(187.61)	(144.75)
Net decrease in cash and cash equivalents (A+B+C)	(506.03)	(179.82)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	105.45	109.53
Cash and cash equivalents at the beginning of the year	695.46	765.75
Cash and cash equivalents at the end of the year (Refer Note 11a)	294.88	695.46

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer

DIN- 06890830

Ganesh Murthy

Chief Financial Officer

Sanjay Baweja

Director

DIN- 00232126

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru

Date : May 24, 2019

Place : Montreal, Canada

Date : May 24, 2019

Statement of changes in equity for the year ended March 31, 2019

(₹ in millions, except share and per share data, unless otherwise stated)

a. Equity Share Capital

	Equity share capital
Issued and paid up capital at April 1, 2017	1,043.50
Changes in equity share capital during the year	
Issue of equity shares under employee stock option plan	12.21
Balance at March 31, 2018	1,055.71
Changes in equity share capital during the year	
Issue of equity shares under employee stock option plan	1.25
Balance at March 31, 2019	1,056.96

b. Other equity

	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium	General reserve	Stock Options outstanding account	Capital redemption reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of the defined benefit liabilities / (asset)	
Balance at April 1, 2017	2,355.13	13.20	105.51	154.00	3,139.80	(18.34)	(8.23)	5,741.07
Profit for the year	-	-	-	-	388.96	-	-	388.96
Other comprehensive income for the year	-	-	-	-	-	18.04	26.71	44.75
Income tax impact on other comprehensive income	-	-	-	-	-	-	(9.24)	(9.24)
Dividend (including tax on dividend)	-	-	-	-	(183.99)	-	-	(183.99)
Exercise of employee stock options	44.13	-	(16.04)	-	-	-	-	28.09
Share based payments	-	-	34.59	-	-	-	-	34.59
Balance at March 31, 2018	2,399.26	13.20	124.06	154.00	3,344.77	(0.30)	9.24	6,044.23

Statement of changes in equity for the year ended March 31, 2019

(₹ in millions, except share and per share data, unless otherwise stated)

	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium	General reserve	Stock Options outstanding account	Capital redemption reserve	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of the defined benefit liabilities / (asset)	
Profit for the year	-	-	-	-	328.02	-	-	328.02
Other comprehensive income for the year	-	-	-	-	-	13.29	(6.31)	6.98
Income tax impact on other comprehensive income	-	-	-	-	-	-	2.21	2.21
Dividend (including tax on dividend)	-	-	-	-	(191.14)	-	-	(191.14)
Exercise of employee stock options	4.23	-	(1.52)	-	-	-	-	2.71
Share based payments	-	-	19.99	-	-	-	-	19.99
Balance at March 31, 2019	2,403.49	13.20	142.53	154.00	3,481.65	12.99	5.14	6,213.00

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer

DIN- 06890830

Ganesh Murthy

Chief Financial Officer

Sanjay Baweja

Director

DIN- 00232126

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru

Date : May 24, 2019

Place : Montreal, Canada

Date : May 24, 2019

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

1 Company overview

OnMobile Global Limited ('OnMobile' or 'the Company') is a public limited company incorporated in India and has its registered office at Bengaluru, India. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The key product offerings of the Company are Ringback Tones, Digital Content Store and Infotainment. OnMobile is the global leader in Ringback Tones. Digital Content Store is a one-stop mobile destination for discovering digital content like videos, games, music and images. Infotainment offers music, contest, news and sports to consumers over the mobile.

2 Significant accounting policies

Basis of presentation of these standalone financial statements

a. Statement of compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies notified under section 133 of the Companies Act, 2013, (the Act), and other relevant provisions of the Act.

The financial statements are approved for issue by the Company's Board of Directors on May 24, 2019.

These standalone financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2019.

b. Basis of Measurement

The standalone financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value;
- Share based payment transactions and
- Net defined benefit assets/ (liabilities) are measured at fair value of plan assets, less present value of defined benefit obligations.

c. Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular,

information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the significant effect on the amounts recognized in the financial statements.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note k-Useful lives of Property, Plant and Equipment and Intangible Assets;
- Note d- Assessment of functional currency;
- Note p and Note 30- Measurement of defined benefit obligation; key actuarial assumptions;
- Note q- Share based compensation to employees;
- Note s- Provision for income taxes and related tax contingencies and Evaluation of recoverability of deferred tax assets.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that might have a significant risk of resulting in a material adjustment in the year ending March 31, 2019 is included in the following notes:

- Note s- recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note t- impairment test of non-financial assets: key assumptions underlying recoverable amounts;
- Note i- impairment of financial assets; and
- Note u- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

d. Functional and presentation currency

The standalone financial statements are presented in Indian Rupee (INR), the national currency of India, which is the functional currency of the Company. The Company has foreign operations (branches) for which the functional currency is the currency of the primary economic environment in which these entities operates.

e. Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and loss and reported within foreign exchange gains/ (losses).

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Non monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

The financial position of the foreign operations whose functional currency is different from the presentation currency (INR) are recognised in Other Comprehensive Income as Foreign Currency Translation reserve as follows:

- a. Assets and liabilities are translated into Indian Rupee (INR) using exchange rate prevailing at the end of each reporting period.
- b. Income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

f. Investment in subsidiaries and associates

Investment in subsidiaries and associates are measured at cost. Dividend income from subsidiaries is recognised when its right to receive the dividend is established.

g. Cash flow

Cash flow Statement has been prepared in accordance with the Indirect method prescribed in Indian Accounting Standard 7-“Statement of cash flows”. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

h. Cash and cash equivalents

Cash comprises cash on hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal. 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.

Cash dividend to equity holders

The Company recognises a liability to make cash to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

i. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial

assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured

at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currencies. The counterparty to these contracts is generally a bank.

Derivatives are recognised and measured at fair value. Attributable transactions costs are recognised in statement of profit and loss.

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

j. Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are stated at cost of acquisition including taxes, duties, freight directly attributable to make the asset ready for its intended use and other incidental expenses relating to acquisition and installation less accumulated depreciation and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent expenditure on assets after its purchase is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Assets retired from active use and held for sale are stated at the lower of their net book value and realisable value and disclosed separately.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

k. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided on the straight-line method over the useful life as estimated by the management based on technical advice on commercial lives of these assets, which is different from the rates prescribed under Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Category of Asset	No. of years
Leasehold improvements	Primary lease period of 3 years -5 years
Buildings	61 years
Office equipments	3 years
Computers and electronic equipments	3 years-6 years
Furniture and fixtures	3 years
Motor cars	3 years
Softwares	3 years
Intellectual property rights	3 years
Market development and deployment rights	Over the term of the agreement

The estimated useful life of the assets are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Individual assets costing less than ₹ 5,000 are depreciated in full in the year of purchase.

l. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessor

Rental Income from operating leases is generally recognised on a straight - line basis over the term of the relevant lease. where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

As lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such expense accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

m. Revenue from contracts with customers

The Company has implemented new standard Ind-AS 115 'Revenue from Contracts with Customers' effective April 1, 2018 using cumulative method. Accordingly standard is applied retrospectively only to contracts that are not completed as at the date of initial application and comparative information presented for year ended March 31, 2018 has not been restated i.e. it is presented, as previously reported, under Ind-AS 18, Ind-AS 11 and related interpretations. The Group has evaluated its open arrangements and concluded that the new standard does not have any material impact.

Revenue from Telecom Value Added Services, net of credit notes, is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control as per the terms of revenue sharing arrangements. Control over a promised services refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those services. Control is usually transferred when services are received and used. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for services, net of taxes directly

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices.

Revenue from sale of user licences for software application is recognized at point in time when the applications are functionally installed at the customer's location and customer obtains the control of asset as per the terms of the contracts.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Group transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the Group expects to receive for goods and services that have not yet been transferred to customers under existing, non-cancellable or otherwise enforceable contracts.

n. Dividend income and profit on sale of investments

Dividend from subsidiaries is recognised when the Company's right to receive the payment is established.

Dividend on current investments is recognized on an accrual basis when the right to receive payment is established. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the carrying value of the investment.

o. Interest income

Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method.

p. Employee benefits

Employee benefits include provident fund, ESIC, gratuity fund, compensated absences etc.

a) Short term Obligations: Short-term employee benefits include salaries, social security contributions, short term compensated absences (such as paid annual leave where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service), profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the

related services and non monetary benefits (such as medical care) etc, for current employees are estimated and measured on an undiscounted basis.

b) Defined contribution plan

The Company's contribution to provident fund, employee state insurance scheme, social security etc are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

c) Defined benefit plan

Post employment benefit plans other than defined contribution plans include liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, is determined by using projected unit credit method with actuarial valuation made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the balance sheet.

Actuarial gains and losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit and loss is calculated by applying a discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains and losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

d) Long-term liability for compensated absences is provided based on actuarial valuation of the accumulated leave credit outstanding to the employees as on the Balance Sheet date. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

q. Share based payments

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognised in the Statement of Profit and loss with a corresponding increase to the share based payment reserve, a component of equity.

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation).

r. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

s. Income taxes

Income tax expense includes Indian and International income taxes. Income tax comprises of the current tax and net change in deferred tax asset or liability in the year. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to items directly recognised in other comprehensive income.

- a) Current Tax: Provision for current tax is made taking into account the admissible deductions/allowances and is subject to revision based on the taxable income for the fiscal year ending 31 March each year. Provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempted income and any tax liabilities arising overseas on income sourced from those countries.
- b) Deferred Tax: Deferred 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 in the financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that 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.

Deferred income tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or subsequently enacted by the end of the reporting period.

t. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amounts by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

u. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

v. Recent Indian Accounting Standards (Ind AS)

Ind AS 116 – Leases

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 'Leases' (New Revenue Standard), which replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards, if applicable, when they become effective. As the Standalone does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Standalone Financial Statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax credits and tax rates, when there is uncertainty over Income Tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatments, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (or loss), tax base, unused tax losses, unused tax credits and tax rates.

The standard permits two possible method of transition – i) Full retrospective approach- Under this approach,

Appendix C will be applied retrospectively to each reporting period presented in accordance with Ind AS 8 – Accounting policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual period beginning on or after April 01, 2019. The Company will adopt the standard on April 01, 2019 and has decided to adjust the cumulative effect in equity on initial application i.e. April 01, 2019 without adjusting comparatives.

The effect of adoption of Ind AS 12 Appendix C would be insignificant in the consolidated financial statements.

Amendments to Ind AS 12- Income taxes

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarified that an entity shall recognize the income tax consequences of dividend in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 01, 2019. The Company is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendment to Ind AS 19- plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendment require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past of service cost, or a gain or loss on settlement, any reduction in a surplus, even is that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 01, 2019. The Company does not have any impact on account of this amendment.

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

3. Tangible and Intangible Assets

Description of Assets	Property, plant and equipment						Intangible Assets				
	Buildings - freehold	Leasehold improvements	Computers and electronic equipments	Office equipment	Furniture and fixtures	Vehicles - freehold	Total	Computer software	Intellectual property rights	Market development and deployment rights	Total
I. Gross carrying amount											
Balance at April 1, 2017	106.75	114.49	2,025.50	33.88	36.73	12.03	2,329.38	750.28	181.90	2,717.09	3,649.27
Additions	-	-	49.75	-	0.02	-	49.77	2.35	-	-	2.35
Less: Disposals	-	-	16.29	-	-	6.85	23.14	-	-	-	-
Balance at March 31, 2018	106.75	114.49	2,058.96	33.88	36.75	5.18	2,356.01	752.63	181.90	2,717.09	3,651.62
Additions	-	-	38.34	0.02	-	-	38.36	-	-	-	-
Less: Disposals	106.75	13.11	160.55	0.25	1.47	5.18	287.31	-	-	-	-
Balance at March 31, 2019	-	101.38	1,936.75	33.65	35.28	-	2,107.06	752.63	181.90	2,717.09	3,651.62
II. Accumulated depreciation and impairment											
Balance at April 1, 2017	16.90	95.46	1,808.34	33.49	36.24	10.32	2,000.75	744.30	181.90	2,717.09	3,643.29
Depreciation / amortisation expense for the year	1.75	17.84	96.63	0.24	0.28	0.38	117.12	4.18	-	-	4.18
Less: Disposals	-	-	11.84	-	-	5.52	17.36	-	-	-	-
Balance at March 31, 2018	18.65	113.30	1,893.13	33.73	36.52	5.18	2,100.51	748.48	181.90	2,717.09	3,647.47
Depreciation / amortisation expense for the year	0.14	1.12	63.61	0.11	0.18	-	65.16	2.34	-	-	2.34
Less: Disposals	18.79	13.11	160.18	0.25	1.47	5.18	198.98	-	-	-	-
Balance at March 31, 2019	-	101.31	1,796.56	33.59	35.23	-	1,966.69	750.82	181.90	2,717.09	3,649.81
Net block (I-II)											
Balance at March 31, 2019	-	0.07	140.19	0.06	0.05	-	140.37	1.81	-	-	1.81
Balance at March 31, 2018	88.10	1.19	165.83	0.15	0.23	-	255.50	4.15	-	-	4.15

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019		As at March 31, 2018	
	No. of Units	Amount	No. of Units	Amount
FINANCIAL ASSETS				
4. Non-current investments				
Investments (At cost)				
Unquoted investments (fully paid-up) in equity shares of:				
Wholly owned subsidiaries:				
OnMobile Singapore Pte. Ltd., Singapore	3,674,071	126.56	4,485,000	154.49
PT OnMobile Indonesia	-	-	1,000	4.06
Onmobile Europe B.V., Netherlands	3,817,935	1,046.90	3,817,935	1,046.90
OnMobile USA LLC, USA	255,673	1,798.17	20,100	91.51
Servicios De Telefonía Onmobile Sa De Cv, Mexico	1,829,877	6.86	1,829,877	6.86
OnMobile Global S A, Argentina	2,073,850	25.63	2,073,850	25.63
OnMobile Brasil Sistemas DeValor Agregado Para Comunicacoes Moveis Ltda	2,365,109	65.64	2,365,109	65.64
OnMobile Global for Telecommunications Services, Egypt	500	0.38	500	0.38
OnMobile Bangladesh Private Limited	720,000	5.09	720,000	5.09
Onmobile Global Spain, S.L.U.	961,000	81.90	961,000	81.90
OnMobile Kenya Telecom Limited	500,000	41.50	500,000	41.50
OnMobile Zambia Telecom Limited	781,500	8.24	781,500	8.24
OnMobile Madagascar Telecom Limited	10,000	1.08	10,000	1.08
OnMobile Telecom Limited, Malawi	10,000	0.81	10,000	0.81
OnMobile Uganda Limited	10,000	13.51	10,000	13.51
OnMobile Global Italy S.R.L.	10,000	0.71	10,000	0.71
OnMobile Turkey Telekomunikasyon Sistemleri Limited Sirketi	100	0.27	100	0.27
OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	5,000	0.79	5,000	0.79
OnMobile Ghana Telecom Limited	95,000	2.94	95,000	2.94
OnMobile Telecom Sierra Leone Limited	1,000,000	1.01	1,000,000	1.01
OnMobile Rwanda Telecom Limited	500	0.05	500	0.05
OnMobile Global Czech Republic S.R.O	2,490,200	7.85	200,000	0.65
OnMobile Nigeria Telecom Limited	2,500,000	0.98	2,500,000	0.98
OnMobile Telecom Burkina Faso, S.A.R.L.	100	0.13	100	0.13
OnMobile Global Solutions Canada Limited	10,000	0.54	10,000	0.54
OnMobile Global Limited Colombia S.A.S.	544,073,765	15.90	544,073,765	15.90
OnMobile Global South Africa (Pty) Ltd. *	100	-	100	-
Associate:				
Mobile Voice Konnect Private Limited	5,000	0.05	5,000	0.05
Other entity:				
Turaco Mobile Private Limited	-	-	1,600	0.02
Total unquoted investments at cost		3,253.49		1,571.64
Less: Provision for Impairment of Investment in Onmobile Europe B.V., OnMobile Global Czech Republic S.R.O and OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)		568.11		559.48
		2,685.38		1,012.16
* Represents amount less than Rupees one million				
Aggregate amount of unquoted investments		3,253.49		1,571.64
Aggregate amount of impairment in value of investments		568.11		559.48

No strategic investments were disposed off during the year, and there were no transfer of any cumulative gain/loss within equity relating to these investments.

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019		As at March 31, 2018	
	No. of Units	Amount	No. of Units	Amount
5. Current investment				
Investments in mutual funds (quoted) (FVTPL)				
Baroda Pioneer Liquid Fund - Plan B Daily Dividend	119,039	256.12	66,049	66.18
Kotak Money Market Scheme - Direct Plan Growth	32,719	100.99	-	-
Kotak Low Duration Fund- Regular Plan - Weekly Dividend	-	-	225,723	229.63
HDFC Floating Rate Income Fund - Short Term Plan- Dividend	-	-	22,106,890	222.86
Kotak Liquid Direct Plan Growth	63,592	240.65	-	-
Reliance Liquid Fund - Direct Plan growth plan – Growth Option	70,568	321.92	-	-
Reliance Money Market Fund - Direct Growth Plan Growth Option	35,744	101.49	-	-
Reliance Medium Term Fund- Daily Dividend	-	-	17,819,809	304.81
Tata Liquid Fund Direct Plan - Growth	91,599	269.71	-	-
Invesco India Liquid Fund - Direct Plan Growth	31,977	82.26	-	-
Axis Liquid Fund - Direct Growth	94,668	196.30	-	-
IDFC Ultra Short Term Fund -Regular Plan- Daily Dividend	-	-	15,908,405	160.31
ICICI Prudential Liquid Fund - Direct Plan - Growth	884,067	244.37	-	-
ICICI Prudential Flexible Income - Regular Plan - Daily Dividend	-	-	2,076,063	219.51
Investments in Non Convertible Debenture (Unquoted) (Amortised cost)				
HDFC Ltd- 8.38% Non-Convertible Debentures (March 31, 2018- Nil)	-	102.69	-	-
Aggregate amount of investments		1,916.50		1,203.30
Aggregate amount of quoted investments		1,813.81		1,203.30
Aggregate amount of unquoted investments		102.69		-
6. Trade receivables				
(Unsecured)				
Considered good		423.42		554.50
Credit impaired		169.50		189.53
Less: Loss allowance		(169.50)		(189.53)
		423.42		554.50
Note:				
Trade receivables include due from related parties (Refer Note 33)		24.60		16.77
Movement in the expected credit loss:				
Balance at the beginning of the year		189.53		185.60
Movement in loss allowance on trade receivables calculated at lifetime expected credit losses*		(20.03)		3.93
Provision at the end of the year		169.50		189.53
*Include foreign exchange fluctuation				
7. Loans - non-current				
(Unsecured, considered good)				
Security deposits		62.30		65.43
Loans to subsidiaries (Refer Note 33)		21.71		1,133.66
		84.01		1,199.09
8. Loans - current				
Security deposits		4.85		4.78
		4.85		4.78

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019		As at March 31, 2018	
		Amount		Amount
9. Other financial assets - non-current				
Advances to employees		1.02		1.04
Other receivables from subsidiaries (Refer Note 33)		238.45		224.18
		239.47		225.22
Less: Allowance for other financial assets		(121.70)		(73.84)
		117.77		151.38
10. Other financial assets - current				
Unbilled revenue (Refer Note 33)		643.14		1,089.98
Other receivables from subsidiaries (Refer Note 33)		468.78		635.90
Advances to employees		13.44		14.75
Accrued interest on deposits		4.20		7.66
Derivative assets		-		-
		1,129.56		1,748.29
Less: Allowance for other financial assets		(211.58)		(240.24)
		917.98		1,508.05
11. a. Cash and cash equivalents				
Cash on hand		0.04		0.03
Balances with bank :				
- In current accounts		287.89		253.98
- In deposit accounts		6.95		441.45
		294.88		695.46
b. Other bank balances				
- Earmarked balances				
- Margin money on bank guarantees		11.91		48.69
		11.91		48.69
12. Other non-current assets				
(Unsecured, considered good)				
Capital advances		-		0.88
Balances with statutory authorities		162.84		162.72
Fringe benefit tax (net of provisions)		0.70		0.70
		163.54		164.30
13. Other current assets				
(Unsecured, considered good)				
Prepaid expenses		53.20		45.94
Balances with statutory authorities		45.14		41.07
Advances to vendors		11.88		14.53
		110.22		101.54

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019		As at March 31, 2018	
		Amount		Amount
14. Share capital				
Authorised				
Equity shares of ₹10 each		1,495.00		1,495.00
149,500,000 (March 31, 2018 - 149,500,000)				
Preference shares of ₹10 each		5.00		5.00
500,000 (March 31, 2018 - 500,000)				
		1,500.00		1,500.00
Issued, subscribed and fully paid up				
Equity shares of ₹10 each fully paid		1,056.96		1,055.71
105,696,202 (March 31, 2018 - 105,570,836)				
		1,056.96		1,055.71

Notes:

A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares with voting rights				
Opening balance	105,570,836	1,055.71	104,350,090	1,043.50
Add: Share issued on exercise of stock options	125,366	1.25	1,220,746	12.21
Closing balance	105,696,202	1,056.96	105,570,836	1,055.71

B) Particulars of shareholders holding more than 5% of the shares of the company

	Number of Shares	%	Number of Shares	%
Equity shares with voting rights				
OnMobile systems Inc	50,923,703	48.18	50,923,703	48.24

C) Aggregate number of shares allotted as fully paid up pursuant to contracts without payment being received in cash, bonus shares and buyback of shares for the period of five years immediately preceeding the balance sheet date:

- During the year ended March 31, 2015 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s 68 of the Companies Act, 2013, the company bought back 5,800,000 equity shares of ₹ 10 each by utilising the securities premium account. Capital redemption reserve has been created out of security premium pccount for ₹ 58.00 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.
- The Company had made a public announcement on February 11, 2016 for buy back of maximum 5,600,000 equity shares of ₹ 10 each for an amount not exceeding Rs 700 Million. As on March 31, 2016, the buy back of 1,532,594 equity shares for Rs 176.37 Million was finalised and executed by utilising the securities premium account. Capital redemption reserve has been created out of security premium account for ₹ 15.33 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

During the year ended March 31, 2017, the Company completed the above referred buy-back of equity shares and bought back 4,067,406 equity shares of ₹10 each by utilising the securities premium account. Capital redemption reserve has been created out of security premium account for ₹ 40.67 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

D) Total number of options outstanding under various employee stock option plans, that are convertible into equity shares, as on March 31, 2019 are 3,638,178 (at March 31, 2018: 4,581,624) (Refer Note 32).

E) Rights and restrictions attached to equity shares:

The Company has only one class of equity shares with voting rights (one vote per share). The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in proportion to the number of equity shares held by the shareholders.

	As at March 31, 2019	As at March 31, 2018
15. Other equity		
Capital redemption reserve	154.00	154.00
Amount equal to the cancellation of the Company's own equity instruments is transferred to Capital redemption reserve		
Securities premium account	2,403.49	2,399.26
Amount received on issue of shares in excess of par value has been classified as securities premium		
Stock options outstanding	142.53	124.06
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.		
General reserve	13.20	13.20
This reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.		
Retained earnings	3,481.65	3,344.77
Retained earnings comprise of the Company's prior years' undistributed earnings.		
Other comprehensive income	18.13	8.94
Other comprehensive income consists of currency translation and re-measurement of net defined benefit liability/asset.		
	6,213.00	6,044.23
Distributions proposed:		
The Board of Directors at its meeting held on May 24, 2019 have recommended, subject to approval of shareholders, a dividend of ₹ 1.50 per equity share of ₹ 10 each. If approved, this would result in a cash outflow of approximately ₹ 191.13 Million, inclusive of dividend distribution tax.		
FINANCIAL LIABILITIES		
16. Trade payable		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 37)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 33)	903.33	986.07
	903.33	986.07
17. Provisions - non-current		
Provision for employee benefits:		
Provision for compensated absences (Refer Note 30)	38.06	34.32
	38.06	34.32

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
18. Provisions - current		
Provision for employee benefits: (Refer Note 30)		
Provision for compensated absences	4.02	3.93
Provision for gratuity (Net)	33.52	15.79
	37.54	19.72
19. Other financial liabilities		
Payable on purchase of fixed assets:		
- Total outstanding dues of creditors	45.79	63.71
Other liabilities	23.01	30.74
	68.80	94.45
20. Other current liabilities		
Income received in advance/ unearned revenue	41.32	44.78
Statutory remittances	57.08	67.87
Advances from customers	-	8.33
	98.40	120.98
	For the year ended March 31, 2019	For the year ended March 31, 2018
21. Revenue from contracts with customers		
The effect of initially applying IND AS 115 on the Company's revenue from contracts with customers is described in note 2(m).		
A. Revenue Streams		
The Company generates revenue primarily from rendering of telecom value added services to its customers.		
Telecom value added services	2,295.20	2,506.32
Other Operating revenue	-	271.32
- Reimbursement of expenses (Net)	-	-
	2,295.20	2,777.64
B. Disaggregation of revenue from contracts with customers		
In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Company's reportable segments.		
Primary geographical markets		
India	1,005.90	1,487.30
Europe	535.89	666.86
Africa	517.26	421.46
Latin America and United States of America	84.98	132.24
Asia	151.17	69.78
	2,295.20	2,777.64

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Major products/service lines		
Tones	824.30	958.90
Videos	280.70	427.90
Games	241.60	453.50
Contest	27.60	46.13
Others (includes income from services to related parties) (Refer Note 33)	921.00	891.21
	2,295.20	2,777.64
Timing of revenue recognition		
Products and services transferred at a point in time	2,295.20	2,777.64
	2,295.20	2,777.64
C. Contract balances		
The following table provides information about receivables and contract assets from contracts with customers.		
Trade receivables	423.42	
Contract assets	643.14	
Trade receivables are non interest bearing. The amount of trade receivables as at March 31, 2019 was impacted by an impairment provision of Rs 169.50 million. (Refer note 6)		
Contract assets includes unbilled revenue. The contract assets are transferred to trade receivables when the Company issues an invoice to the customer. (Refer note 10)		
D. Performance obligations		
In relation to information about Company's performance obligations in contracts with customers refer note 2(m)		
22. Other income		
Interest income on financial assets at amortised cost		
- From banks on deposits	16.90	23.23
- From subsidiaries on long term loans	29.69	47.57
- On income tax refund	0.04	33.96
Dividend income (Refer Note 33)	29.79	253.52
Profit on short term investments (including mark to market)	70.59	-
Profit on sale of investment in subsidiary	176.12	-
Foreign exchange gain/ (loss) (Net)	183.61	20.07
Other non- operating Income		
- Profit on sale of fixed assets (Net)	-	4.21
- Rental income from operating leases	0.61	7.16
- Miscellaneous income	10.87	5.58
	518.22	395.30

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
23. Contest expenses, cost of software licenses and others		
Contest expenses	78.24	156.33
Cost of software licences and other charges	209.49	222.67
	287.73	379.00
24. Employee benefit expenses		
Salaries and wages	970.33	1,102.09
Share based payments (Refer Note 32)	19.99	34.59
Contractors expenses	16.11	17.11
Contribution to provident fund and other funds (Refer Note 30)	65.44	92.39
Workmen and staff welfare expenses	55.32	60.50
	1,127.19	1,306.68
25. Finance cost		
Interest on short term borrowings	0.43	1.06
	0.43	1.06
26. Depreciation and amortisation expenses		
Depreciation on property, plant and equipment	65.16	117.12
Amortisation of intangible assets	2.34	4.18
	67.50	121.30
27. Other expenses		
Power and fuel	25.68	26.78
Rent (Refer Note 31)	70.80	68.71
Insurance	8.67	6.96
Repairs and maintenance		
- Machinery	22.14	18.97
- Others	10.53	15.38
Office maintenance	29.36	30.41
Rates and taxes	4.57	10.53
Printing and stationery	1.72	1.73
Postage, courier and octroi	6.61	7.44
Communication charges	39.81	51.99
Training and recruitment expenses	9.84	9.03
Travelling and conveyance	113.31	119.98
Legal, professional & consultancy charges	103.87	100.72
Commission to non whole time directors	11.44	7.88
Remuneration to auditors (Refer Note below)	7.06	6.74
Marketing expenses	34.25	40.53
Business development expenses	168.59	194.41
Bad debts written off	85.37	13.31
Less: Provision for doubtful debts released	(85.37)	(13.31)
Provision for doubtful debts	70.20	16.97
Brokerage and commission	-	0.10
Corporate social responsibility (CSR) expenses (Refer note 36)	9.00	7.34
Bank charges	5.44	5.02
Loss on sale of assets	20.78	-
Miscellaneous expenses	1.59	1.60
	775.26	749.22

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note:		
Auditor's remuneration		
As auditor:		
Audit fee	2.85	2.85
Taxation matters	0.50	0.50
Other services*	2.90	2.38
Reimbursement of expenses and levies*	0.81	1.01
	<u>7.06</u>	<u>6.74</u>
*Previous year includes an amount of ₹1.29 million paid to erstwhile auditors.		
28. Income taxes		
Income tax expense in the statement of profit and loss consist of:		
Current income tax:		
In respect of current period	132.00	115.64
Deferred tax		
In respect of current period	(86.61)	(83.36)
Income tax expense recognised in the statement of profit and loss	<u>45.39</u>	<u>32.28</u>
Income tax recognised in other comprehensive income		
Net loss/(gain) on remeasurement of defined benefit plan	(2.21)	9.24
	<u>(2.21)</u>	<u>9.24</u>

The reconciliation between the provision of income tax of the Company and amounts computed by applying the indian statutory income tax rate to profit before taxes is as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	373.41	421.24
Enacted income tax rate in India	34.94%	34.61%
computed expected tax expense	130.47	145.78
Effect of:		
Income that is exempt from tax	(84.98)	(82.27)
Expenses that are not deductible in determining taxable profit	37.33	14.41
Income subject to different tax rates	(20.04)	(25.06)
Others	(17.39)	(20.58)
Income tax expense recognised in the statement of profit and loss	<u>45.39</u>	<u>32.28</u>

The tax rates under Indian Income Tax Act for the year ended March 31, 2019 is 34.94% and March 31, 2018 is 34.61%

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Deferred tax

Deferred tax assets/(liabilities) as at March 31, 2019 are as follows:

	April 1, 2018	Recognised in profit and loss	Recognised in OCI	March 31, 2019
Difference between book and tax depreciation	35.80	15.32	-	51.12
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	194.87	5.03	2.21	202.11
MAT credit entitlement	206.81	66.26	-	273.07
	437.48	86.61	2.21	526.30

Deferred tax assets/(liabilities) as at March 31, 2018 are as follows:

	April 1, 2017	Recognised in Profit and loss	Recognised in OCI	March 31, 2018
Difference between book and tax depreciation	0.58	35.22	-	35.80
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	199.28	4.83	(9.24)	194.87
MAT credit entitlement	163.50	43.31	-	206.81
	363.36	83.36	(9.24)	437.48

29 A. Contingent liabilities

The Company is involved in taxation and other disputes, lawsuits, proceedings etc. that arise from time to time in the ordinary course of business. Management is of the view that these claims are not tenable and will not have any material adverse effect on the Company's financial position and result of operations.

- Disputed Service tax ₹ 14.18 Million (March 31, 2018: ₹ 14.18 Million), disputed Income Tax ₹ 981.88 Million (March 31, 2018: ₹ 901.08 Million) and disputed Value added tax ₹ Nil Million (March 31, 2018: ₹ 25.62 Million).
- Claims against the Company not acknowledged as debt is ₹ 8.55 Million (March 31, 2018: 8.82 Million).
- The Company, in January 2018, received a Show Cause Notice (SCN) related to a potential Service tax liability of ₹ 999.50 million. Management has responded on the SCN and believes that they have strong case on merits and expect to challenge the SCN issued to defend its position.
- Other matters ₹ 3.48 Million (March 31, 2018- Nil)

B. Capital commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is ₹ 1.51 Million (at March 31, 2018: ₹ 8.83 Million).

30 Employee Benefits:

I Defined contribution plans

During the year the Company has recognized the following amounts in the statement of profit and loss:

Particulars *	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's contribution to provident fund	41.85	47.04
Contribution for foreign branches	8.83	9.05

* Included in Note 24

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

II Reconciliation of net defined benefit asset/ (liability)

Gratuity

Amount recognised in the statement of profit and loss in respect of gratuity cost is as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity cost		
Current service cost	10.67	10.36
Past service cost	-	20.94
Interest cost	7.47	7.21
Expected return on plan assets	(6.26)	(5.57)
	11.88	32.94
Actuarial (gain)/loss recognised in OCI	6.31	(26.71)
Net gratuity cost	18.19	6.23
Assumptions		
Discount rate	7.70% p.a	7.65% p.a
Salary increase	8% p.a. for first 6 years and 7.0% p.a thereafter	8% p.a. for first 6 years and 7.0% p.a thereafter

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The following table sets out the status of the gratuity plan:

Particulars	As at March 31, 2019	As at March 31, 2018
Change in projected benefit obligations:		
Obligation at the beginning of the year	97.68	96.87
Current service cost	10.67	10.36
Interest cost	7.47	7.21
Benefits paid	(21.02)	(10.67)
Actuarial (gain)/loss recognised in OCI	4.68	(27.03)
Past service cost	-	20.94
Obligation at the end of the year	99.48	97.68
Change in plan assets:		
Fair value of plan assets at the beginning of the year	81.89	74.82
Interest income	6.26	5.57
Actuarial gain/(loss) recognised in OCI	(1.63)	(0.32)
Contributions paid into the plan	0.46	12.49
Benefits paid	(21.02)	(10.67)
Closing fair value of plan assets	65.96	81.89

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Reconciliation of present value of defined benefit obligation and the fair value of plan assets:

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation	(99.48)	(97.68)
Fair value of plan assets	65.96	81.89
Asset / (liability) recognised	(33.52)	(15.79)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have effected the defined benefit obligation by the amount shown below:

	At at March 31, 2019		At at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(11.28)	13.52	(11.05)	13.30
Future salary growth (1% movement)	9.05	(8.48)	9.26	(8.67)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2019	As at March 31, 2018
Within 1 year	8.32	8.55
2-5 years	26.04	27.65
6-10 years	23.03	19.79
More than 10 years	263.19	261.26

Assumptions regarding future mortality are based on published statistics and mortality tables.

Estimate of amount of contribution in the immediately next year ₹ 44.57 Million.

As at March 31, 2019 and March 31, 2018 100% of the plan assets were invested in insurer managed funds.

The defined benefit plan expose the Company to actuarial risks such as longevity risk, interest rate risk and market (investment) risk.

As at March 31, 2019, the weighted average duration of defined benefit obligation based on discounted cashflows is 13 years (March 31, 2018- 13 years)

III Other long-term benefits

Cost of compensated absences expensed in the Statement of Profit and Loss:

Particulars*	For the year ended March 31, 2019	For the year ended March 31, 2018
Compensated absences	10.58	(7.06)

* Included in Note 24

Actuarial assumptions for compensated absences are same as disclosed above for gratuity.

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

31 Operating lease:

The Company is obligated under non-cancellable operating lease for office space. Total rental expense and future lease payments under non-cancellable operating lease for office space are as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Expenses recognised in the Statement of Profit and Loss under non-cancellable operating lease	7.99	20.11
Future minimum lease payments under non- cancellable operating leases:		
Not later than 1 year	4.66	48.05
Later than 1 year and not later than 5 years	-	4.66
Additionally, the company lease office facilities under cancellable operating leases for office space.		
Rental expense under cancellable operating lease	62.81	48.60

32 Employee Stock Option Plans

The Company instituted the Employee Stock Option Plan (ESOP), which were approved by the Board of Directors. Each option is entitled to 1 equity share of ₹ 10 each. All options expires in 5 years after the vesting date. Details of ESOPs with the terms of vesting are as follows:

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – I 2003	31-Oct-03	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003	1,026,000	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first vesting.
OnMobile Employees Stock Option Plan – II 2003	04-Dec-03		114,000	
OnMobile Employees Stock Option Plan – III 2006	24-Jul-06	24-Jul-06	61,567	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan – I 2007	12-Jul-07	17-Aug-07	975,000	25% of the Options granted would vest at the end of twelve (12) months from the date of the grant and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan-II 2007	12-Jul-07	17-Aug-07	74,360	65%, 30%, 3% and 2% of the options granted would vest at the end of one year, two years, three years and four years from the grant date, respectively.
OnMobile Employees Stock Option Plan – I 2008	18-Mar-08	18-Apr-08	26,000	100% of the Options would vest over a period of four years.
OnMobile Employees Stock Option Plan II 2008	31-Oct-08	01-Aug-08	100,000	100% of the options granted would vest at the end of two years.

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Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan III 2008	31-Oct-08	01-Aug-08	748,240	For 297,170 Options 50% of the options granted would vest at the end of one year and 25% of the options would vest on a monthly basis at the end of each of second and third years from the grant date respectively and for the balance 451,070 Options granted under the Plan the vesting would be 25% of the Options would vest at the end of one year and the rest of the options shall vest at the rate of 1/36th of the options shall vest every month for the next three years.
OnMobile Employees Stock Option Plan III 2008	29-Apr-09	01-Aug-08	113,150	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	31-Jul-09	01-Aug-08	26,680	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	26-Oct-09	01-Aug-08	75,000	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan III 2008	28-Jan-10	01-Aug-08	68,500	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan IV 2008	26-Sep-08	31-Oct-08	173,953	100% of such Options granted would vest at the end of one year.
OnMobile Employees Stock Option Plan I 2010	30-Apr-10	24-Jul-10	325,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan II 2010	30-Apr-10	24-Jul-10	875,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
Plan	Board approval date	Share holder's approval date	Total options appropriated	Terms of Vesting
OnMobile Employees Stock Option Plan 2011	30-Apr-11	04-Aug-11	1,150,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2012	07-May-12	29-Aug-12	3,000,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2013	15-May-13	30-Jul-13	1,500,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

All the above plans are similar in nature and hence aggregated. Numbers of aggregated options granted, exercised and forfeited during the year under the above plans are given below:

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of Options	Weighted average exercise price (₹) per option	Number of Options	Weighted average exercise price (₹) per option
Options granted outstanding at the beginning of the year	4,581,624	63.68	5,486,705	58.18
Granted during the year	2,717,568	40.58	682,646	55.55
Exercised during the year	(125,366)	31.62	(1,220,746)	33.01
Forfeited during the year	(3,528,864)	72.06	(254,002)	77.77
Lapsed during the year	(6,784)	36.43	(112,979)	40.05
Options granted outstanding at the end of the year	3,638,178	39.45	4,581,624	63.68
Exercisable at the end of the period	1,319,212	37.06	3,136,200	57.98
Weighted average Share Price during the year (₹)		38.03		62.75
Weighted average remaining contractual life (years) at the year end	4.86 years		4.40 years	
Range of exercise price (after adjusting for bonus issue)	₹ 29.68 to ₹ 128.50		₹ 22.28 to ₹ 128.50	

The fair value of each unit under the above mentioned plans granted during the year is estimated using the Black-Scholes model with the following assumptions:

Grant date	16 May 2018	26 Jul 2018	27 Jul 2018
Fair value as on grant date	16.38	18.61	18.08
Share price	40.18	43.90	42.88
Exercise price	40.18	43.90	42.88
Expected volatility (%)	54.67%	54.71%	54.75%
Expected life of the option (years)	4.34	4.34	4.34
Dividend yield (%)	4%	3%	3%
Risk-free interest rate (%)	7.65%	8.30%	8.30%

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

33 Transactions with related parties:

I List of Related parties and relationship:

Sl No.	Relationship	Related parties
(i)	Subsidiaries	<p>OnMobile Singapore Pte. Ltd. PT. OnMobile Indonesia (Liquidated) OnMobile SA. (subsidiary of OnMobile Europe B.V.) OnMobile Europe B.V. OnMobile Servicios Corporativos De Telefonía S.A. DE C.V. Servicios De Telefonía OnMobile, SA DE CV OnMobile USA LLC. OnMobile Global S A OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda OnMoible Global for Telecommunication Services OnMobile Senegal SARL OnMobile De Venezuela C.A. (subsidiary of OnMobile USA LLC) OnMobile Latam holdings SL (subsidiary of OnMobile USA LLC) OnMobile Mali SARL OnMobile Bangladesh Private Limited OnMobile Kenya Telecom Limited OnMobile Costa Rica OBCR, SA OnMobile Ghana Telecom Limited OnMobile Madagascar Telecom Limited OnMobile Nigeria Telecom Limited OnMobile Zambia Telecom Limited OnMobile Telecom Sierra Leone Limited OnMobile Tanzania Telecom Limited OnMobile Global Spain S.L OnMobile Uruguay S.A OnMobile Uganda Limited OnMobile Rwanda Telecom Limited OnMobile Global Italy S.R.L. OnMobile Telecom Limited Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi Onmobile Telecom Burkina Faso, SARL OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira) OnMobile Live Inc (subsidiary of OnMobile USA LLC) Fonestarz Media Group Limited (subsidiary of OnMobile Live Inc) 2dayUK Limited (subsidiary of OnMobile Live Inc) Fonestarz Media (licensing) Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019) Daius Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019) Fonestarz Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019) Livewire Mobile (Australia) PTY Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f September 20, 2018) Fonestarz Media Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019) OnMobile Global Czech Republic s.r.o. OnMobile Global Limited Colombia S.A.S. OnMobile Global Solutions Canada Limited OnMobile Global South Africa (PTY) Limited Appland AB (Subsidiary of OnMobile Europe B.V.) (Acquired W.e.f October 11, 2018)</p>

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

SI No.	Relationship	Related parties
(ii)	Other related parties with whom the Company had transactions	
	Key Management Personnel	Francois Charles Sirois, Executive Chairman and Chief Executive Officer Rajiv Khaitan, Independent Director Nancy Cruickshank, Independent Director Sanjay Baweja, Independent Director Nehchal Sandhu, Independent Director (Till July 27, 2017) Pascal Tremblay, Independent Director (Till May 26, 2017) Sanjay Kapoor, Independent Director Chric Arsenault, Independent Director Gianluca D'Agostino, Independent Director Praveen Kumar K J, Chief Financial Officer (Till March 16, 2018) Ganesh Murthy, Chief Financial Officer (From March 26, 2018) P V Varaprasad, Company Secretary
(iii)	Associate	Mobile Voice Konnect Private Limited
(iv)	Enterprises owned or significantly influenced by key management personnel/ Directors or their relatives	OnMobile Systems Inc., USA

II Transactions with Related Parties:

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Income from services						
	OnMobile Singapore Pte. Ltd.	122.97	55.59	-	-	122.97	55.59
	OnMobile Global for Telecommunication Services	96.36	57.50	-	-	96.36	57.50
	OnMobile Nigeria Telecom Limited	47.14	31.67	-	-	47.14	31.67
	OnMobile Global South Africa (PTY) Limited	114.64	87.71	-	-	114.64	87.71
	OnMobile Ghana Telecom Limited	-	0.21	-	-	-	0.21
	OnMobile Rwanda Telecom Limited	0.09	0.54	-	-	0.09	0.54
	OnMobile Costa Rica OBCR SA	2.59	6.00	-	-	2.59	6.00
	OnMobile Zambia Telecom Limited	14.93	10.33	-	-	14.93	10.33
	OnMobile Global Spain S.L	522.29	400.73	-	-	522.29	400.73
	OnMobile Bangladesh Private Limited	-	(30.39)	-	-	-	(30.39)
	Total	921.01	619.89	-	-	921.01	619.89
2	Business Development expenses						
	OnMobile USA LLC	68.83	88.52	-	-	68.83	88.52
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	-	5.52	-	-	-	5.52
	OnMobile Kenya Telecom Limited	27.08	26.50	-	-	27.08	26.50
	OnMobile Global Limited Colombia S.A.S.	-	15.96	-	-	-	15.96
	Servicios De Telefonía OnMobile SA DE CV	14.10	23.95	-	-	14.10	23.95
	OnMobile Uruguay S.A	25.85	-	-	-	25.85	-
	OnMobile Global Solutions Canada Limited	32.73	33.95	-	-	32.73	33.95
	Total	168.59	194.40	-	-	168.59	194.40

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(₹ in millions, except share and per share data, unless otherwise stated)

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
3	Transfer of Corporate Costs						
	OnMobile Singapore Pte. Ltd.	-	16.05	-	-	-	16.05
	OnMobile Global Spain S.L	-	253.22	-	-	-	253.22
	OnMobile Costa Rica OBCR, SA	-	2.04	-	-	-	2.04
	Total	-	271.31	-	-	-	271.31
4	Transfer of Data centre costs absorbed						
	OnMobile USA LLC	38.08	37.33	-	-	38.08	37.33
	Total	38.08	37.33	-	-	38.08	37.33
5	Remuneration to Key management personnel (Refer Note 3 below)						
	Short-term employee benefits	-	-	23.29	26.08	23.29	26.08
	Share- based payment	-	-	2.49	2.67	2.49	2.67
	Others	-	-	19.14	16.08	19.14	16.08
	Total	-	-	44.92	44.83	44.92	44.83
6	Dividend Income						
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	-	60.70	-	-	-	60.70
	OnMobile Bangladesh Private Limited	-	113.55	-	-	-	113.55
	OnMobile Singapore Pte. Ltd.	-	31.26	-	-	-	31.26
	Total	-	205.51	-	-	-	205.51
7	Interest Income						
	OnMobile Rwanda Telecom Limited	0.08	0.08	-	-	0.08	0.08
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	1.11	0.87	-	-	1.11	0.87
	OnMobile USA LLC	28.19	46.19	-	-	28.19	46.19
	OnMobile Portugal SGPS	0.11	0.12	-	-	0.11	0.12
	OnMobile Global Czech Republic s.r.o.	0.20	0.31	-	-	0.20	0.31
	Total	29.69	47.57	-	-	29.69	47.57
8	Investments made during the year in						
	OnMobile USA LLC.	474.99	-	-	-	474.99	-
	OnMobile USA LLC. (Loan Amount Converted to Equity)	1,231.67	-	-	-	1,231.67	-
	OnMobile Global Czech Republic s.r.o.	7.20	-	-	-	7.20	-
	Total	1,713.86	-	-	-	1,713.86	-
9	Buy-back of investments during the year						
	OnMobile Singapore Pte. Ltd.	204.06	-	-	-	204.06	-
	Total	204.06	-	-	-	204.06	-
10	Investments Written off during the year						
	PT OnMobile Indonesia	4.06	-	-	-	4.06	-
	Total	4.06	-	-	-	4.06	-
11	Recovery of Expenses from						
	OnMobile Singapore Pte. Ltd.	13.84	10.94	-	-	13.84	10.94
	Total	13.84	10.94	-	-	13.84	10.94

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(₹ in millions, except share and per share data, unless otherwise stated)

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
12	Reimbursement of Expenses to						
	OnMobile S.A.	67.52	123.55	-	-	67.52	123.55
	Total	67.52	123.55	-	-	67.52	123.55
13	Transfer of Fixed Assets, AMC, Content Cost, Freight and Insurance						
	OnMobile Global South Africa (PTY) Limited	-	0.02	-	-	-	0.02
	OnMobile Kenya Telecom Limited	-	0.63	-	-	-	0.63
	OnMobile Global for Telecommunication Services	1.18	0.02	-	-	1.18	0.02
	OnMobile Nigeria Telecom Limited	-	0.02	-	-	-	0.02
	OnMobile Zambia Telecom Limited	-	0.01	-	-	-	0.01
	OnMobile Global Spain S.L.	-	1.67	-	-	-	1.67
	OnMobile USA LLC.	-	3.12	-	-	-	3.12
	Total	1.18	5.49	-	-	1.18	5.49
14	Loans/ Advances Written Off						
	OnMobile Singapore Pte. Ltd.	1.34	-	-	-	1.34	-
	OnMobile Mali SARL	8.48	-	-	-	8.48	-
	OnMobile Senegal SARL	4.80	-	-	-	4.80	-
	OnMobile Global Czech Republic s.r.o.	2.13	-	-	-	2.13	-
	Total	16.75	-	-	-	16.75	-

III Balances with Related Parties:

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
15	Trade Payables						
	OnMobile Singapore Pte. Ltd.	34.97	37.55	-	-	34.97	37.55
	OnMobile S.A.	37.50	66.44	-	-	37.50	66.44
	Servicios De Telefonía OnMobile Sa De Cv	6.22	5.88	-	-	6.22	5.88
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	21.42	20.19	-	-	21.42	20.19
	OnMobile Costa Rica OBCR SA	-	4.16	-	-	-	4.16
	OnMobile Live Inc	0.46	0.41	-	-	0.46	0.41
	Onmobile Telecom Burkina Faso, SARL	-	3.28	-	-	-	3.28
	OnMobile Kenya Telecom Limited	2.33	0.25	-	-	2.33	0.25
	OnMobile Senegal SARL	-	36.36	-	-	-	36.36
	OnMobile Madagascar Telecom Limited	4.44	4.63	-	-	4.44	4.63
	OnMobile Nigeria Telecom Limited	17.00	16.02	-	-	17.00	16.02
	OnMobile Rwanda Telecom Limited	5.35	5.34	-	-	5.35	5.34
	OnMobile Zambia Telecom Limited	6.60	7.84	-	-	6.60	7.84
	OnMobile Uruguay S.A	2.13	2.00	-	-	2.13	2.00
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.58	2.32	-	-	0.58	2.32
	OnMobile Global Spain S.L	40.72	42.18	-	-	40.72	42.18
	OnMobile Global Solutions Canada Limited	5.62	2.99	-	-	5.62	2.99
	Total	185.34	257.84	-	-	185.34	257.84

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(₹ in millions, except share and per share data, unless otherwise stated)

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
16	Amount Receivables under:						
a	Long term loans and advances						
	OnMobile Rwanda Telecom Limited	1.38	1.30	-	-	1.38	1.30
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	18.12	17.60	-	-	18.12	17.60
	OnMobile Global Czech Republic s.r.o.	-	6.52	-	-	-	6.52
	OnMobile Portugal SGPS	-	4.01	-	-	-	4.01
	OnMobile USA LLC.	-	972.08	-	-	-	972.08
b	Accrued interest						
	OnMobile Rwanda Telecom Limited	0.10	0.02	-	-	0.10	0.02
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	2.11	0.95	-	-	2.11	0.95
	OnMobile Global Czech Republic s.r.o.	-	0.62	-	-	-	0.62
	OnMobile Portugal SGPS	-	0.54	-	-	-	0.54
	OnMobile USA LLC.	-	130.02	-	-	-	130.02
c	Trade Receivables						
	OnMobile Global South Africa (PTY) Limited	6.81	-	-	-	6.81	-
	OnMobile Nigeria Telecom Limited	17.79	16.77	-	-	17.79	16.77
d	Other Financial Assets						
	OnMobile Singapore Pte. Ltd.	11.55	34.01	-	-	11.55	34.01
	OnMobile Global for Telecommunication Services	110.88	161.55	-	-	110.88	161.55
	Servicios De Telefonía OnMobile Sa De Cv	61.27	94.04	-	-	61.27	94.04
	OnMobile De Venezuela C A	201.75	190.13	-	-	201.75	190.13
	OnMobile USA LLC.	90.54	121.72	-	-	90.54	121.72
	OnMobile Global South Africa (PTY) Limited	13.47	136.13	-	-	13.47	136.13
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	5.66	5.36	-	-	5.66	5.36
	OnMobile Global SA	180.48	170.09	-	-	180.48	170.09
	OnMobile Kenya Telecom Limited	53.88	50.78	-	-	53.88	50.78
	OnMobile Mali SARL	-	9.39	-	-	-	9.39
	OnMobile Senegal SARL	-	41.29	-	-	-	41.29
	OnMobile Telecom Limited.	6.26	6.02	-	-	6.26	6.02
	OnMobile Costa Rica OBCR SA	4.55	10.37	-	-	4.55	10.37
	OnMobile Ghana Telecom Limited	11.85	11.46	-	-	11.85	11.46
	OnMobile Madagascar Telecom Limited	10.12	10.00	-	-	10.12	10.00
	OnMobile Nigeria Telecom Limited	163.71	110.09	-	-	163.71	110.09
	OnMobile Rwanda Telecom Limited	13.12	12.83	-	-	13.12	12.83
	OnMobile Uganda Limited	20.19	19.06	-	-	20.19	19.06

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(₹ in millions, except share and per share data, unless otherwise stated)

SI No	Nature of transactions	Subsidiary Companies		Key Management Personnel		Total	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	OnMobile Zambia Telecom Limited	13.70	20.78	-	-	13.70	20.78
	OnMobile Telecom (SL) Limited	8.20	7.79	-	-	8.20	7.79
	OnMobile Global Spain S.L	122.59	436.77	-	-	122.59	436.77
	OnMobile Uruguay S.A	7.14	7.65	-	-	7.14	7.65
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	4.14	4.11	-	-	4.14	4.11
	Onmobile Telecom Burkina Faso, SARL	1.99	23.67	-	-	1.99	23.67
	OnMobile Global Limited Colombia S.A.S.	12.87	14.04	-	-	12.87	14.04
	OnMobile Global Czech Republic s.r.o.	-	1.95	-	-	-	1.95
	OnMobile Bangladesh Private Limited	11.44	10.86	-	-	11.44	10.86
	OnMobile Live Inc	36.84	36.26	-	-	36.84	36.26
	OnMobile Tanzania Telecom Limited	6.57	5.66	-	-	6.57	5.66
	Total	1,231.07	2,914.29	-	-	1,231.07	2,914.29

Notes:

- 1 Related party relationships are as identified by the Company on the basis of information available and relied upon by the auditors.
- 2 During the year, Provision of ₹ Nil (March 31, 2018: ₹ Nil) has been provided for expected credit loss on other financial assets from related parties. The total balance of provision for expected credit loss as on March 31, 2019: ₹ 333.28 Million (March 31, 2018: ₹ 314.08 Million)
- 3 Employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

34 Financial instruments by category

Particulars	Carrying value		Fair value	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Financial assets				
Amortised cost				
Loans	-	1,203.87	-	1,203.87
Trade receivables	-	554.50	-	554.50
Cash and cash equivalents	294.88	695.46	294.88	695.46
Other bank balances	11.91	48.69	11.91	48.69
Other financial assets	1,035.75	1,659.43	1,035.75	1,659.43
Investments	102.69	-	102.69	-
FVTPL (Level 1)				
Investments in mutual funds	1,813.81	1,203.30	1,813.81	1,203.30
Total financial assets	3,259.04	5,365.25	3,259.04	5,365.25
Financial liabilities				
Amortised cost				
Trade payables	903.33	986.07	903.33	986.07
Other financial liabilities	68.80	94.45	68.80	94.45
Total financial liabilities	972.13	1,080.52	972.13	1,080.52

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised at fair value and 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 Company has classified its financial instruments under the accounting standard as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- ii) The fair value of the unquoted mutual fund are based on market observable inputs at reporting date. The fair value of other financial liabilities is estimated by credit risk and remaining maturities.
- iii) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders to optimise equity. The Company's Corporate Treasury reviews the capital structure on a quarterly basis.

The capital structure of the Company consists of only equity. The Company is not subject to any externally imposed capital requirements.

Financial risk management

The Company's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk along with credit risk and liquidity risk.

The Company seeks to minimise the effects of these forex by hedging the forex exposures through forward contracts, liquidity risk by diversifying its investments in various schemes of debt mutual funds and fixed deposits. The Company manages its credit risks by monitoring the credit rating of the customers, banks and mutual funds. Corporate Treasury Function reports quarterly to the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to Company's investments. The Company's investments are primarily short term, which do not expose it to significant interest rate risk.

(ii) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective foreign operations. The Company enters into forward foreign exchange contracts to hedge its exposure to foreign currency risk arising on the net export of services.

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2019			
	USD	EURO	Other currencies*	Total
Assets				
Trade receivables	174.78	0.22	51.31	226.31
Cash and cash equivalents	79.24	47.23	140.83	267.30
Other Assets	1,188.86	91.23	360.18	1,640.27
Liabilities				
Trade payable	(73.54)	(26.29)	(97.28)	(197.11)
Other Liabilities	(186.70)	(83.28)	(97.82)	(367.80)
Net assets/(liabilities)	1,182.64	29.11	357.22	1,568.97

* Other currencies include BDT,EGP,BRL,CAD,MXN,MYR, SGD,COP,PEN,ZAR etc.

Particulars	As at March 31, 2018			
	USD	EURO	Other currencies*	Total
Assets				
Trade receivables	305.28	-	51.37	356.65
Cash and cash equivalents	56.22	12.15	158.90	227.27
Other Assets	2,263.47	424.19	530.87	3,218.53
Liabilities				
Trade payable	(31.78)	(66.61)	(133.66)	(232.05)
Other Liabilities	(168.93)	(86.24)	(101.62)	(356.79)
Net assets/(liabilities)	2,424.26	283.49	505.86	3,213.61

*Other currencies include BDT,EGP,BRL,CAD,MXN,MYR, SGD,COP,PEN,ZAR etc.

The Company is mainly exposed to USD and EUR for the year ended March 31,2019. Every 1% increase/decrease in the said currencies compared to Indian Rupee would impact profit and equity by 0.53%/(0.53%) and 0.17%/(0.17%) respectively. For the year ended March 31,2018 the impact on profit and equity was 1.08%/(1.08%) and 0.38%/(0.38%) respectively.

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Non designated derivative Instrument	As at March 31, 2019 Nominal Value	As at March 31, 2018 Nominal Value	Currency	As at March 31, 2019	As at March 31, 2018
	(In ₹ Mn)	(In ₹ Mn)		(Foreign Currency in Mn)	(Foreign Currency in Mn)
Forward Contract -(SELL)	51.87	260.71	USD/INR	0.75	4.00
Forward Contract -(SELL)	116.53	280.63	EUR/INR	1.50	3.50
Total Forward contracts	168.40	541.34		2.25	7.50

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

The foreign exchange forward contracts mature within 12 months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date:

Particulars	As at March 31, 2019 Nominal Value	As at March 31, 2018 Nominal Value
Not later than 1 month	56.13	72.68
Later than 1 month but not later 3 months	112.27	145.36
Later than 3 month but not later 1 year	-	323.30
	168.40	541.34

In respect of the Company's forward contracts, a 1% decrease/increase in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

- an approximately 0.07% increase and (0.07%) decrease in the Company's net profit and approximately 0.02% increase and (0.02%) decrease in equity as at March 31, 2019;
- an approximately 0.22% increase and (0.22%) decrease in the Company's net profit and approximately 0.08% increase and (0.08%) decrease in equity as at March 31, 2018;

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

i) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The following table gives details in respect of revenues generated from top customer and top 4 customers:

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Revenue from top customer	283.40	402.65
Revenue from top 4 customers	984.50	1,311.31

4 customers accounted for more than 10% of the revenue. No other single customer contributed 10% or more of the Company's revenue for both 2018-19 and 2017-18.

ii) Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have rating of AA/AAA. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's corporate treasury department is responsible for liquidity management, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables	903.33	986.07
Other financial liabilities	68.80	94.45
Total	972.13	1,080.52

Notes to financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

35 Earnings per share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit after taxation as per the statement of profit and loss	328.02	388.96
Weighted average number of equity shares	105,657,444	104,850,937
Weighted average number of equity shares for basic EPS	105,657,444	104,850,937
Weighted average number of equity shares resulting from assumed exercise of employee stock options	-	10,919
Weighted average number of equity shares for diluted EPS	105,657,444	104,861,856
	₹	₹
Nominal value of equity shares	10.0	10.0
Earnings per share		
Basic	3.10	3.71
Diluted	3.10	3.71

36 Total expenditure required to be incurred and accordingly paid on Corporate Social Responsibility activities other than construction/acquisition of assets, as per the requirements of Section 135 of the Companies Act, 2013 during the year ended March 31, 2019 is Rs 9.00 Million (during the year ended March 31, 2018: ₹ 7.34 Million).

37 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 has been made in the financials statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Based on the information available with the Company, there are no dues to suppliers who are registered as micro, small or medium enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2019.

Particulars	As at March 31, 2019	As at March 31, 2018
(i) The amounts remaning unpaid to micro and and small supplier as at the end of each year:		
- Principal	-	-
- Interest	-	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iv) The amount of interest accrued and remaining un-paid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductibles expenditure under Section 23 of the MSMED Act, 2006	-	-

38 The Company prepares consolidated financial statements, hence as per Indian Accounting Standard 108 Operating Segments, segment information has not been provided in the standalone financial statements.

39 Exceptional item for the year ended March 31, 2019 includes amount provided towards impairment/ Write off of investment in OnMobile Global Czech Republic S.R.O and OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira) and PT OnMobile Indonesia, wholly owned subsidiaries of the Company amounting to ₹12.70 Million.

40 The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended March 31, 2019.

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer

DIN- 06890830

Ganesh Murthy

Chief Financial Officer

Sanjay Baweja

Director

DIN- 00232126

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru

Date : May 24, 2019

Place : Montreal, Canada

Date : May 24, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of Onmobile Global Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Onmobile Global Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associate, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate, as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Trade receivables including unbilled receivables refer note 6 and 11 to the consolidated financial statement

The key audit matter	How the matter was addressed in our audit
<p>The Group has trade receivables including unbilled receivables amounting to INR 2,266 million (net of provision amounting to 234 million) as at 31 March 2019.</p> <p>The Company's customers operate in a number of geographical locations having different credit profiles.</p> <p>Management judgement is required in determining the appropriate level of allowance for expected credit losses to be recorded in respect of such receivables using the life time expected credit loss method.</p> <p>Recoverability of trade receivables was an area of focus because of significance of the amounts involved in context of the consolidated financial statements and the fact that it involved critical estimates.</p>	<ul style="list-style-type: none">• Tested the design of internal financial controls and operating effectiveness of the relevant key controls;• Enquired with Company's management of the significant and long overdue balances with reference to recent history of settlement, default or disputes and the ageing profile of the relevant trade receivables.• Reviewed the appropriateness of the level of allowance for expected credit losses by considering the historical cash collection trends and the local economic environment in each of the geographies.

Accounting for the acquisition of Appland AB Refer note 40 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>Onmobile Global Limited through its subsidiary Onmobile Europe B.V, entered into a Share Purchase and Earn out Agreement ('SPA agreement') to acquire 100% shares of the Appland AB, for a total consideration (including earn out) amounting to INR 1,087.40 million. Accounting for acquisition requires the Group to determine fair value of consideration transferred and fair value of the net assets acquired as part of the acquisition. Based on the preliminary purchase price allocation, the Group has recognized goodwill amounting to INR 780.94 million and other intangible assets amounting to INR 143.25 million.</p> <p>Considering the significance of estimates and assumptions involved in determination of purchase consideration and the allocation of purchase price this was an area of focus during our audit of the Group's consolidated financial statements.</p>	<p>Our audit procedures on accounting for business combinations included the following:</p> <ul style="list-style-type: none"> • Tested the design of internal financial controls and operating effectiveness of the relevant key controls; • Reviewed the transaction documents (SPA) verifying the basis of determining purchase consideration including fair value of the contingent consideration. • Obtained the cash flow forecasts supporting the valuation of the intangible assets identified and assessed if those are reasonable and involving our internal valuation specialists to evaluate the reasonableness of methodology and key assumptions used; • Performed substantive testing to verify the existence, accuracy and completeness of material assets and liabilities acquired; and • Evaluated the appropriateness of the disclosures in the financial statements.

Recoverability of deferred tax assets refer note 35 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Group carries its business through various subsidiaries and branches operating in various geographical locations.</p> <p>The balance of deferred tax assets recognized as at 31 March 2019 in the Group consolidated financial statements is INR 522.37 million which includes Minimum Alternate Tax ('MAT') entitlement credits amounting to INR 273 million.</p> <p>Assessment of recoverability of such MAT credits and deferred tax assets require management to prepare forecasts for future profitability and potential tax liabilities, which involves significant judgment and accordingly was an area of focus.</p>	<ul style="list-style-type: none"> • Our audit procedures included assessing the revenue and profit forecast against the historical performance, remaining period of tax holiday benefit which the Company enjoys. • We also assessed the sensitivity of key assumptions including the growth rate and the impact of tax holiday benefit for future years on the ability to utilize the MAT credits.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises of Management Reports such as Board's Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report (but does not include the Consolidated Financial Statements and our Auditor's Report thereon) which we obtained prior to the date of this Auditor's Report, and the remaining reports, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and

consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate is responsible for overseeing the financial reporting process of each company.

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Company and subsidiaries) as well as associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company and its associate incorporated in India as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and its associate incorporated in India, none of the directors of the Group companies and associate incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its associate. Refer Note 29 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 41 to the consolidated financial statements in respect of such items as it relates to the Group and its associate.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India during the year ended 31 March 2019.
 - iv. The disclosures in the consolidated financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these consolidated Financial Statements since they do not pertain to the financial year ended 31 March 2019.
- C. With respect to the matter to be included in the Auditor's report under Section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its associate incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, and its associate incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership No: 060573

Bangalore

24 May 2019

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure - A to the Independent Auditor's Report of even date on the consolidated financial statements of Onmobile Global Limited

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Onmobile Global Limited (hereinafter referred to as "the Holding Company") and its associate company, which is a company incorporated in India under the Companies Act, 2013, as of that date.

In our opinion, the Holding Company and its associate company, which is a company incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in

accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership No: 060573

Bangalore

24 May 2019

CONSOLIDATED BALANCE SHEET

(₹ in millions, except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3a	202.46	321.94
Capital work-in-progress		11.28	24.06
Goodwill	3b	762.74	–
Other Intangible assets	3b	223.69	228.53
Financial assets			
Investments	4	–	0.02
Loans	8	63.68	48.59
Other financial assets	10	1.02	1.04
Income tax assets (net)		1,267.95	1,214.78
Deferred tax assets (net)	35	522.37	439.05
Other non-current assets	12	164.26	165.53
		3,219.45	2,443.54
Current assets			
Financial assets			
Investments	5	1,916.50	1,203.30
Trade receivables	6	1,651.26	1,707.88
Cash and cash equivalents	7 a	794.13	1,799.63
Other bank balances	7 b	11.91	48.69
Loans	9	11.24	31.68
Other financial assets	11	633.01	649.57
Other current assets	13	488.13	258.83
		5,506.18	5,699.58
TOTAL		8,725.63	8,143.12
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,056.96	1,055.71
Other equity	15	4,600.96	4,707.31
		5,657.92	5,763.02
Liabilities			
Non-current liabilities			
Financial Liabilities			
Other financial liabilities	19a	235.97	–
Provisions	16	38.06	37.55
Deferred tax liabilities (net)		1.36	1.08
		275.39	38.63
Current liabilities			
Financial liabilities			
Trade payables			
– Total outstanding dues of micro enterprises and small enterprises	18	–	–
– Total outstanding dues of creditors other than micro enterprises and small enterprises	18	2,116.65	1,879.55
Other financial liabilities	19b	276.31	59.34
Provisions	17	181.59	165.93
Other current liabilities	20	217.77	236.65
		2,792.32	2,341.47
TOTAL		8,725.63	8,143.12
Significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants
Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner
Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer
DIN- 06890830

Ganesh Murthy

Chief Financial Officer

Sanjay Baweja

Director
DIN- 00232126

P V Varaprasad

Company Secretary
Membership Number- FCS 5877

Place : Bengaluru
Date : May 24, 2019

Place : Montreal, Canada
Date : May 24, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in millions, except share and per share data, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
INCOME			
Revenue from operations	21	5,938.64	6,356.05
Other income	22	290.13	122.82
TOTAL INCOME (A)		6,228.77	6,478.87
EXPENSES			
Content fees and royalty		2,442.41	2,443.02
Contest expenses, cost of software licenses and others	23	277.19	365.04
Employee benefits expense	24	1,776.81	1,890.25
Finance costs	25	0.76	1.06
Depreciation and amortisation expense	26	272.23	479.12
Other expenses	27	1,146.25	1,008.46
TOTAL EXPENSES (B)		5,915.65	6,186.95
Profit before exceptional items, tax and share of equity accounted investee (C) = (A-B)		313.12	291.92
Exceptional items (D)	43	-	14.78
Profit before tax and share of profit of equity accounted investee (E) = (C-D)		313.12	277.14
TAX EXPENSE			
Current tax		226.14	240.53
Deferred tax		(101.89)	(76.84)
Net tax expense (F)		124.25	163.69
Profit for the year before share of profit of equity investee (G) = (E-F)		188.87	113.45
Share of profit / (loss) from associate		-	-
Profit for the year		188.87	113.45
Other comprehensive income (Net)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities / (asset)		(6.31)	26.71
Income tax relating to items that will not be reclassified to profit or loss		2.21	(9.24)
Items that may be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		(122.68)	105.80
Other comprehensive income for the year		(126.78)	123.27
Total comprehensive income for the year		62.09	236.72
Earnings per equity share	34		
1. Basic (Face value of equity share of Rs 10/- each)		1.79	1.08
2. Diluted (Face value of equity share of Rs 10/- each)		1.79	1.08
Significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

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François-Charles Sirois

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Sanjay Baweja

Director

DIN- 00232126

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru
Date : May 24, 2019

Place : Montreal, Canada
Date : May 24, 2019

CONSOLIDATED CASH FLOW STATEMENT

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	188.87	113.45
Adjustments to reconcile profit before tax to net cash flow:		
Income tax expense recognised in the consolidated statement of profit and loss	124.25	163.69
Depreciation and amortisation expense	272.23	479.13
Exceptional items	–	14.78
Unrealised foreign exchange (gain)/loss	(81.40)	13.30
Provision for doubtful trade receivables (net)	58.14	48.40
Finance cost	0.76	1.06
Loss/(Gain) on disposal of Property plant and equipment (Net)	20.21	(3.33)
Gain on sale/ redemption of Investment (Net)	(70.59)	–
Provisions no longer required written back	(21.43)	(26.76)
Share based payments	19.99	34.59
Dividend income	(29.79)	(48.01)
Interest income	(29.01)	(32.46)
Operating profit before working capital changes	452.23	757.84
Changes in operating assets and liabilities:		
Trade receivables	(30.50)	33.24
Other assets	(199.69)	167.20
Trade payable and other liabilities	156.74	(421.59)
Cash generated from operations	378.78	536.69
Direct taxes paid (net of refunds)	(274.19)	(189.63)
Net cash generated from operating activities	104.59	347.06
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets including capital advances	(73.84)	(343.83)
Proceeds from sale of tangible assets	70.85	27.49
Acquisition of business net of cash acquired	(375.36)	–
Purchase of short term investments (net)	(642.78)	(272.99)
Sale of Long term investments	0.20	–
(Increase)/decrease in other bank balances	36.77	(38.52)
Dividends received	29.79	48.01
Interest received	32.67	28.44
Net cash used in investing activities	(921.70)	(551.40)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	3.96	40.30
Finance costs	(0.76)	(1.06)
Dividend paid including tax	(191.14)	(183.99)
Net cash used in financing activities	(187.94)	(144.75)
Net decrease in cash and cash equivalents (A+B+C)	(1,005.05)	(349.09)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(0.45)	27.91
Cash and cash equivalents at the beginning of the year	1,799.63	2,120.81
Cash and cash equivalents at the end of the year (Refer Note 7a)	794.13	1,799.63

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer

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Sanjay Baweja

Director

DIN- 00232126

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru

Date : May 24, 2019

Place : Montreal, Canada

Date : May 24, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(₹ in millions, except share and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount
Issued and paid up capital as at April 1, 2017	1,043.50
Changes in equity share capital during the year	
Issue of equity shares under employee stock option plan	12.21
Balance as at March 31, 2018	1,055.71
Changes in equity share capital during the year	
Issue of equity shares under employee stock option plan	1.25
Balance as at March 31, 2019	1,056.96

B. OTHER EQUITY

	Reserves and Surplus					Items of other comprehensive income		Total
	Securities premium	General reserve	Stock Options Outstanding Account	Capital Redemption Reserve	Retained earnings	Exchange differences on translating the financial statements of foreign operation	Remeasurements of the defined benefit liabilities / (asset)	
Balance as at April 1, 2017	2,355.13	13.20	105.51	154.00	2,009.20	(36.91)	(8.23)	4,591.90
Profit for the year	-	-	-	-	113.45	-	-	113.45
Other comprehensive income for the year	-	-	-	-	-	105.80	17.47	123.27
Dividend (including tax on dividend)	-	-	-	-	(183.99)	-	-	(183.99)
Exercise of employee stock options	44.13	-	(16.04)	-	-	-	-	28.09
Share based payments	-	-	34.59	-	-	-	-	34.59
Balance as at March 31, 2018	2,399.26	13.20	124.06	154.00	1,938.66	68.89	9.24	4,707.31
Balance as at April 1, 2018	2,399.26	13.20	124.06	154.00	1,938.66	68.89	9.24	4,707.31
Profit for the year	-	-	-	-	188.87	-	-	188.87
Other comprehensive income for the year	-	-	-	-	-	(122.68)	(4.10)	(126.78)
Dividend (including tax on dividend)	-	-	-	-	(191.14)	-	-	(191.14)
Exercise of employee stock options	4.23	-	(1.52)	-	-	-	-	2.71
Share based payments	-	-	19.99	-	-	-	-	19.99
Balance as at March 31, 2019	2,403.49	13.20	142.53	154.00	1,936.39	(53.79)	5.14	4,600.96

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer

DIN- 06890830

Ganesh Murthy

Chief Financial Officer

Place : Montreal, Canada

Date : May 24, 2019

Sanjay Baweja

Director

DIN- 00232126

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru

Date : May 24, 2019

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

1 Company Overview

OnMobile Global Limited ('OnMobile' or 'the Company') together with its subsidiaries and its associate ('the Group') is a public limited company incorporated in India and has its registered office at Bengaluru, India. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The Company is engaged in providing value added services such as Ringback Tones, Digital Content Store and Infotainment. OnMobile is the global leader in Ringback Tones. Digital Content Store is a one-stop mobile destination for discovering digital content like videos, games, music and images. Infotainment offers music, contest, news and sports to consumers over the mobile.

2 Significant Accounting Policies

Basis of Presentation of these consolidated financial statements

a. Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date, March 31, 2019. The consolidated financial statements are approved for issue, by the Company's Board of Directors on May 24, 2019.

b. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items:

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value
- Share based payment transactions

- Net defined benefit assets/(liabilities) are measured at fair value of plan assets, less present value of defined benefit obligations and
- Contingent consideration in Business combination

c. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company, its subsidiaries and the associate.

Control is achieved when the Company has power over the investee, it is exposed or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and cease when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The following entities (all subsidiaries and the associate unless stated otherwise) are considered in the consolidated financial statements.

Sl. No.	Name of entity	Country of Incorporation	% of Ownership held as on March 31, 2019	% of Ownership held as on March 31, 2018
1	OnMobile Singapore Pte. Ltd.	Singapore	100.00	100.00
2	PT OnMobile Indonesia (Liquidated w.e.f August 31, 2017)	Indonesia	100.00	100.00
3	OnMobile S.A. (subsidiary of OnMobile Europe B.V.)	France	100.00	100.00
4	OnMobile Europe B.V.	Netherlands	100.00	100.00
5	OnMobile USA LLC	United States of America	100.00	100.00
6	Servicios De Telefonía OnMobile Sa De Cv	Mexico	100.00	100.00

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Sl. No.	Name of entity	Country of Incorporation	% of Ownership held as on March 31, 2019	% of Ownership held as on March 31, 2018
7	OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	Brazil	100.00	100.00
8	OnMobile De Venezuela C.A. (subsidiary of OnMobile USA LLC)	Venezuela	100.00	100.00
9	OnMobile Global SA	Argentina	100.00	100.00
10	OnMobile Uruguay SA	Uruguay	100.00	100.00
11	OnMobile Senegal SARL	Senegal	100.00	100.00
12	OnMobile Global for Telecommunication Services	Egypt	100.00	100.00
13	OnMobile Mali SARL	Mali	100.00	100.00
14	OnMobile Bangladesh Private Limited	Bangladesh	100.00	100.00
15	OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	Mexico	100.00	100.00
16	OnMobile Kenya Telecom Limited	Kenya	100.00	100.00
17	OnMobile Costa Rica OBCR, S.A.	Costa Rica	100.00	100.00
18	OnMobile Telecom Limited	Malawi	100.00	100.00
19	OnMobile Global Spain S.L.	Spain	100.00	100.00
20	OnMobile Uganda Limited	Uganda	100.00	100.00
21	OnMobile Zambia Telecom Limited	Zambia	100.00	100.00
22	OnMobile Madagascar Telecom Limited	Madagascar	100.00	100.00
23	OnMobile Rwanda Telecom Limited	Rwanda	100.00	100.00
24	OnMobile Nigeria Telecom Limited	Nigeria	100.00	100.00
25	OnMobile Tanzania Telecom Limited	Tanzania	100.00	100.00
26	OnMobile Ghana Telecom Limited	Ghana	100.00	100.00
27	OnMobile Telecom Sierra Leone Limited	Sierra Leone	100.00	100.00
28	OnMobile Global Solutions Canada Limited	Canada	100.00	100.00
29	OnMobile Global Italy SRL	Italy	100.00	100.00
30	Mobile Voice Konnect Private Limited - Associate	India	50.00	50.00
31	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	Turkey	100.00	100.00
32	OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	Portugal	100.00	100.00
33	OnMobile Telecom Burkina Faso, S.A.R.L.	Burkina Faso	100.00	100.00
34	OnMobile Global South Africa (PTY) LTD	South Africa	100.00	100.00
35	OnMobile Global Czech Republic S.R.O	Czech Republic	100.00	100.00
36	OnMobile Live Inc (subsidiary of OnMobile USA LLC)	United States of America	100.00	100.00
37	Fonestarz Media Group Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00
38	2dayUK Limited (subsidiary of OnMobile Live Inc)	United Kingdom	100.00	100.00
39	Fonestarz Media (licensing) Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019)	United Kingdom	100.00	100.00
40	Daius Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019)	United Kingdom	100.00	100.00
41	Fonestarz Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019)	United Kingdom	100.00	100.00
42	Livewire Mobile (Australia) PTY Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f September 20, 2018)	Australia	100.00	100.00
43	Fonestarz Media Limited (subsidiary of OnMobile Live Inc) (Dissolved w.e.f January 22, 2019)	United Kingdom	100.00	100.00
44	OnMobile Global Limited Colombia S.A.S	Colombia	100.00	100.00
45	OnMobile Latam holding SL (subsidiary of OnMobile USA LLC)	Spain	100.00	100.00
46	Appland AB (subsidiary of OnMobile Europe B.V.) (Acquired w.e.f October 11, 2018)	Sweden	100.00	-

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

d. Use of Estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- i) Note (k)-Useful lives of property, plant and equipment and intangible assets;
- ii) Note (e) - Assessment of functional currency;
- iii) Note (q) - Measurement of defined benefit obligation; key actuarial assumptions;
- iv) Note (r)- Share based compensation to employees;
- v) Note (t)- Provision for income taxes and related tax contingencies and evaluation of recoverability of deferred tax assets;
- vi) Note (c)- Consolidation: whether the group has defacto control on investee.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that might have a significant risk of resulting in a material adjustment in the year ending March 31, 2019 is included in the following notes:

- i. Note (t) – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- ii. Note (u) - impairment test of non-financial assets: key assumptions underlying recoverable amounts;
- iii. Note (i) – impairment of financial assets;
- iv. Note (v) – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and
- v. Note (m) - acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed.

e. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee (INR), the national currency of India, which is the functional currency of the Company. The Company has foreign operations (branches & subsidiaries) for which the functional currency is the currency of the primary economic environment in which these entities operate.

f. Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit and loss and reported within foreign exchange gains/ (losses).

Non monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

For the purposes of presenting the consolidated financial statements, assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into the Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any are recognised in other comprehensive income and accumulated in equity.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the consolidated statement of profit and loss.

A monetary item for which settlement to/from a foreign operation is neither planned nor likely to occur in the foreseeable future is considered as a part of the Company's net investment in that foreign operation. On consolidation, exchange differences arising from the translation of any such net investment in foreign operation, are recognised in other comprehensive income and reclassified to consolidated statement of profit or loss, on disposal of the net investment.

g. Cash Flow

Consolidated cash flow statement has been prepared in accordance with the Indirect method prescribed in

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Indian Accounting Standard 7-“Statement of Cash Flows”. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

h. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal. For the purpose of the consolidated 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.

Cash dividend to equity holders

The Company recognises a liability to make cash to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

i. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in consolidated statement of profit and loss.

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in consolidated statement of profit and loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its consolidated balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in consolidated statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative Financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currencies. The counterparty to these contracts is generally a bank. Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in consolidated statement of profit and loss.

j. Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are stated at cost of acquisition including taxes, duties, freight directly attributable to make the asset ready for its intended use and other incidental expenses relating to acquisition and installation less accumulated depreciation and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent expenditure on assets, after its purchase is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Assets retired from active use and held for sale are stated at the lower of their net book value and realisable value and disclosed separately.

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the balance sheet date.

k. Depreciation and Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. The estimated useful life of the assets are reviewed at the end of each financial year and adjusted if appropriate.

Depreciation has been provided on the straight-line method over the useful life as estimated by the management based on technical advice on commercial lives of these assets, which is different from the rates prescribed under Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Category of Asset	No. of years
Leasehold improvements	Primary lease period of 3 years -5 years
Buildings	61 years
Office equipment	3 years
Computers and electronic equipment	3 years-6 years
Furniture and fixtures	3 years
Motor cars	3 years

Goodwill

For measurement of goodwill that arises on a business combination refer note 40. Subsequent measurement is at cost less any accumulated impairment losses.

Other intangible assets

Internally generated: Research and development

Expenditure on research activities is recognised in statement of profit or loss as incurred. Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Others

Other intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

Other intangible assets are amortised on a straight line basis over the estimated useful life as follows:

Category of Asset	No. of years
Software	3 years -10 years
Customer relationships	6 years
Intellectual property rights	3 years
Market development and deployment rights	Over the term of the agreement

Individual assets costing less than ₹5,000 are depreciated in full in the year of purchase.

l. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessor

Rental income from operating leases is generally recognised on a straight - line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

As lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such expense accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

m. Business Combination

In accordance with Ind AS 103, Business combinations, the Company accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Company. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

Business combinations between entities under common control is accounted for at carrying value.

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Any contingent consideration is measured at fair value at the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

n. Revenue from contracts with customers

The Group has implemented new standard Ind-AS 115 'Revenue from Contracts with Customers' effective April 1, 2018 using cumulative method. Accordingly standard is applied retrospectively only to contracts that are not completed as at the date of initial application and comparative information presented for year ended March 31, 2018 has not been restated i.e. it is presented, as previously reported, under Ind-AS 18, Ind-AS 11 and related interpretations. The Group has evaluated its open arrangements and concluded that the new standard does not have any material impact.

Revenue from Telecom Value Added Services, net of credit notes, is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control as per the terms of revenue sharing arrangements. Control over a promised services refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those services. Control is usually transferred when services are received and used. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for services, net of taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices.

Revenue from sale of user licences for software application is recognized at point in time when the applications are functionally installed at the customer's location and customer obtains the control of asset as per the terms of the contracts.

Revenue from fixed price maintenance and subscription services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight-lined over the period of performance.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The Group recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Group transfers the promised goods or services to the customer. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation."

o. Dividend Income

Dividend on current investments is recognized on an accrual basis when the right to receive payment is established. 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 the carrying value of the investment.

p. Interest Income

Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method.

q. Employee Benefits

Employee benefits include contribution to provident fund, social security, employee state insurance corporation, gratuity fund, compensated absences etc.

- a) Short term obligations: Short-term employee benefits include salaries, social security contributions, short term compensated absences (such as paid annual leave where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service), profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) etc, for current employees are estimated and measured on an undiscounted basis.
- b) Defined Contribution Plan The Group's contribution to provident fund, employee state insurance scheme, social security etc are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.
- c) Defined Benefit Plan Post employment benefit plans other than defined contribution plans include liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, is determined by using projected unit credit method with actuarial valuation made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the consolidated balance sheet.

Actuarial gains and losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit and loss is calculated by applying a discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains and losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

- d) Long-term liability for compensated absences is provided based on actuarial valuation of the accumulated leave credit outstanding to the employees as on the balance sheet date. The Group recognizes actuarial gains and losses immediately in the consolidated statement of profit and loss.

r. Share Based Payments

Employees of the Group receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognised in the consolidated statement of profit and loss with a corresponding increase to the share based payment reserve, a component of equity.

The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation).

s. Earnings per Share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

t. Income Taxes

Income tax expense includes Indian and International income taxes. Income tax comprises of the current tax and net change in deferred tax asset or liability in the year. Income tax expense is recognised in the consolidated statement of profit and loss except to the extent it relates to items directly recognised in other comprehensive income.

- a) Current Tax: Provision for current tax is made taking into account the admissible deductions/allowances and is subject to revision based on the taxable income for the fiscal year ending 31 March each year. Provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempted income and any tax liabilities arising overseas on income sourced from those countries.
- b) Deferred Tax: Deferred 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 in the consolidated financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that is probable that 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.

Deferred income tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or subsequently enacted by the end of the reporting period.

u. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amounts by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

v. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Significant accounting policies forming part of the consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

w. Recent Indian Accounting Standards (Ind AS)

Ind AS 116 – Leases

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 'Leases' (New Revenue Standard), which replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards, if applicable, when they become effective. As the Standalone does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Standalone Financial Statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax credits and tax rates, when there is uncertainty over Income Tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatments, or group of tax treatments, that the companies have used or plan to use

in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (or loss), tax base, unused tax losses, unused tax credits and tax rates.

The standard permits two possible method of transition – i) Full retrospective approach- Under this approach, Appendix C will be applied retrospectively to each reporting period presented in accordance with Ind AS 8 – Accounting policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual period beginning on or after April 01, 2019. The Company will adopt the standard on April 01, 2019 and has decided to adjust the cumulative effect in equity on initial application i.e. April 01, 2019 without adjusting comparatives.

The effect of adoption of Ind AS 12 Appendix C is not expected to be significant in the consolidated financial statements.

Amendments to Ind AS 12- Income taxes

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarified that an entity shall recognize the income tax consequences of dividend in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 01, 2019. The Company is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendment to Ind AS 19- plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendment require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past of service cost, or a gain or loss on settlement, any reduction in a surplus, even is that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 01, 2019. The Company is not expected to have any impact on account of this amendment.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

3a. Property, plant and equipment

Description of Assets	Buildings - freehold	Leasehold improvements	Computers and electronic equipments	Office equipment	Furniture and fixtures	Vehicles - freehold	Total
I. Gross carrying amount							
Balance at April 1, 2017	106.75	132.36	2,826.64	34.25	41.99	12.03	3,154.02
Additions	–	–	114.08	1.37	0.15	–	115.60
Less: Disposals	–	0.70	50.84	–	0.03	6.85	58.42
Effect of foreign currency translation from functional currency to reporting currency	–	1.14	18.45	0.12	0.49	–	20.20
Balance at March 31, 2018	106.75	132.80	2,908.33	35.74	42.60	5.18	3,231.40
Additions	–	–	64.10	0.19	–	–	64.29
Less: Disposals	106.75	13.11	209.07	0.25	1.47	5.18	335.83
Effect of foreign currency translation from functional currency to reporting currency	–	1.43	22.25	0.12	(0.09)	–	23.71
Balance at March 31, 2019	–	121.12	2,785.61	35.80	41.04	–	2,983.57
II. Accumulated depreciation and impairment							
Balance at April 1, 2017	16.89	108.41	2,543.15	33.82	41.14	10.31	2,753.72
Depreciation for the year	1.75	20.03	152.39	0.66	0.49	0.38	175.70
Less: Disposals	–	0.70	31.94	–	0.03	5.52	38.19
Effect of foreign currency translation from functional currency to reporting currency	–	0.64	17.09	0.05	0.45	–	18.23
Balance at March 31, 2018	18.64	128.38	2,680.69	34.53	42.05	5.17	2,909.46
Depreciation for the year	0.15	3.25	91.27	0.56	0.32	–	95.55
Less: Disposals	18.79	13.11	205.93	0.28	1.47	5.17	244.75
Effect of foreign currency translation from functional currency to reporting currency	–	0.93	19.97	0.05	(0.10)	–	20.85
Balance at March 31, 2019	–	119.45	2,586.00	34.86	40.80	–	2,781.11
Net block (I-II)							
Balance on March 31, 2019	–	1.67	199.61	0.94	0.24	–	202.46
Balance on March 31, 2018	88.11	4.42	227.64	1.21	0.55	0.01	321.94

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

3b. Goodwill and Intangible assets

Description of Assets	Other Intangible assets					Goodwill
	Computer software	Customer relationships	Intellectual property rights	Market development and deployment rights	Total	
I. Gross carrying amount						
Balance at April 1, 2017	739.34	–	181.90	3,901.03	4,822.27	–
Additions	17.43	–	–	213.19	230.62	–
Less: Disposals	9.95	–	–	–	9.95	–
Effect of foreign currency translation from functional currency to reporting currency	2.63	–	–	84.52	87.15	–
Balance at March 31, 2018	749.45	–	181.90	4,198.74	5,130.09	–
Additions	12.46	–	–	–	12.46	–
Acquisitions through Business combination	138.58	4.67	–	–	143.25	780.94
Less: Disposals	–	–	–	–	–	–
Effect of foreign currency translation from functional currency to reporting currency	26.26	(0.11)	–	103.66	129.81	(18.20)
Balance at March 31, 2019	926.75	4.56	181.90	4,302.40	5,415.61	762.74
II. Accumulated depreciation and impairment						
Balance at April 1, 2017	694.92	–	181.90	3,655.22	4,532.04	–
Depreciation for the year	37.68	–	–	265.74	303.42	–
Less: Disposals	9.95	–	–	–	9.95	–
Effect of foreign currency translation from functional currency to reporting currency	2.78	–	–	73.27	76.05	–
Balance at March 31, 2018	725.43	–	181.90	3,994.23	4,901.56	–
Depreciation for the year	14.27	0.40	–	162.01	176.68	–
Less: Disposals	–	–	–	–	–	–
Effect of foreign currency translation from functional currency to reporting currency	25.86	(0.02)	–	87.84	113.68	–
Balance at March 31, 2019	765.56	0.38	181.90	4,244.08	5,191.92	–
Net block (I-II)						
Balance on March 31, 2019	161.19	4.18	–	58.32	223.69	762.74
Balance on March 31, 2018	24.02	–	–	204.51	228.53	–

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
FINANCIAL ASSETS		
4. NON-CURRENT INVESTMENTS		
Investments (At cost)		
Unquoted investments (fully paid-up) in equity shares of:		
Associate:		
Mobile Voice Konnect Private Limited*		
5,000 (at March 31, 2018: 5000) equity shares of Rs 10 each fully paid	–	–
* Represents amount less than one million.		
In equity shares of other entities at FVTPL		
Turaco Mobile Private Limited	–	0.02
Nil (at March 31, 2018: 1,600) equity shares of Rs 10 each fully paid		
	<u>–</u>	<u>0.02</u>
Aggregate amount of unquoted investment	–	0.02

	No. of Units	Amount	No. of Units	Amount
5. CURRENT INVESTMENT				
Investments in mutual funds (quoted) (FVTPL)				
Baroda Pioneer Liquid Fund - Plan B Daily Dividend	119,039	256.12	66,049	66.18
Kotak Money Market Scheme - Direct Plan Growth	32,719	100.99	–	–
Kotak Liquid Direct Plan Growth	63,592	240.65	–	–
Reliance Liquid Fund - Direct Plan growth plan – Growth Option	70,568	321.92	–	–
Reliance Money Market Fund - Direct Growth Plan Growth Option	35,744	101.49	–	–
Tata Liquid Fund Direct Plan - Growth	91,599	269.71	–	–
Invesco India Liquid Fund - Direct Plan Growth	31,977	82.26	–	–
Axis Liquid Fund - Direct Growth	94,668	196.30	–	–
ICICI Prudential Liquid Fund - Direct Plan - Growth	884,067	244.37	–	–
IDFC Ultra Short Term Fund -Regular Plan- Daily Dividend	–	–	15,908,405	160.31
Reliance Medium Term Fund- Daily Dividend	–	–	17,819,809	304.81
Kotak Low Duration Fund- Regular Plan - Weekly Dividend	–	–	225,723	229.63
HDFC Floating Rate Income Fund - Short Term Plan- Dividend	–	–	22,106,890	222.86
ICICI Prudential Flexible Income - Regular Plan - Daily Dividend	–	–	2,076,063	219.51
Investments in Non Convertible Debenture (unquoted) (Amortised cost)				
HDFC Ltd- 8.38% Non-Convertible Debentures (March 31, 2018- Nil)	–	102.69	–	–
Aggregate amount of investments		<u>1,916.50</u>		<u>1,203.30</u>
Aggregate amount of quoted investments		1,813.81		1,203.30
Aggregate amount of unquoted investments		102.69		–

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
6. TRADE RECEIVABLES		
(Unsecured)		
Considered good	1,651.26	1,707.88
Credit impaired	233.65	241.34
Less: Loss allowance*	(233.65)	(241.34)
	1,651.26	1,707.88
* Includes impact of foreign exchange fluctuations.		
7 a. CASH AND CASH EQUIVALENTS		
Cash on hand	0.13	0.13
Balances with bank :		
– In current accounts	637.25	1,107.60
– In deposit accounts	156.75	691.90
	794.13	1,799.63
7 b. OTHER BANK BALANCES		
Margin money on bank guarantees	11.91	48.69
	11.91	48.69
8. LOANS - NON-CURRENT		
(Unsecured, considered good)		
Security deposits	63.68	48.59
	63.68	48.59
9. LOANS - CURRENT		
Security deposits	11.24	31.68
	11.24	31.68
10. OTHER FINANCIAL ASSETS - NON-CURRENT		
Advances to employees	1.02	1.04
	1.02	1.04
11. OTHER FINANCIAL ASSETS - CURRENT		
Unbilled revenue	614.66	625.93
Advances to employees	14.13	15.76
Accrued interest on deposits	4.22	7.88
	633.01	649.57
12. OTHER NON-CURRENT ASSETS		
(Unsecured, considered good)		
Capital advances	0.72	2.11
Balances with statutory authorities	162.84	162.72
Fringe benefit tax (net of provisions)	0.70	0.70
	164.26	165.53

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
13. OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Prepaid expenses	66.29	59.36
Contract acquisition cost	135.30	–
Balances with statutory authorities	236.07	141.24
Advances to vendors	50.47	58.23
	488.13	258.83
14. SHARE CAPITAL		
Authorised		
Equity shares of ₹10 each	1,495.00	1,495.00
149,500,000 (March 31, 2018 - 149,500,000)		
Preference shares of ₹10 each	5.00	5.00
500,000 (March 31, 2018 - 500,000)		
	1,500.00	1,500.00
Issued, subscribed and fully paid up		
Equity shares of ₹10 each fully paid	1,056.96	1,055.71
105,696,202 (March 31, 2018 - 105,570,836)		
	1,056.96	1,055.71

Notes:

A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights				
Opening balance	105,570,836	1,055.71	104,350,090	1,043.50
Add: Exercise of employee stock options	1,25,366	1.25	12,20,746	12.21
Closing balance	105,696,202	1,056.96	105,570,836	1,055.71

B) Particulars of shareholders holding more than 5% of the shares of the Company

	As at March 31, 2019		As at March 31, 2018	
	Number of shares	%	Number of shares	%
Equity Shares with voting rights				
a) OnMobile Systems Inc	50,923,703	48.18	50,923,703	48.24

C) Aggregate number of shares allotted as fully paid up pursuant to contracts without payment being received in cash, bonus shares and buyback of shares for the period of five years immediately preceeding the balance sheet date:

- During the year ended March 31, 2015 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s 68 of the Companies Act, 2013, the company bought back 5,800,000 equity shares of ₹10 each by utilising the securities premium account. Capital redemption reserve has been created out of security premium account for ₹ 58.00 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

- b) The Company had made a public announcement on February 11, 2016 for buy back of maximum 5,600,000 equity shares of ₹ 10 each for an amount not exceeding Rs 700 Million. As on March 31, 2016, the buy back of 1,532,594 equity shares for ₹ 176.37 Million was finalised and executed by utilising the securities premium account. Capital redemption reserve has been created out of security premium account for ₹ 15.33 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

During the year ended March 31, 2017, the Company completed the above referred buy-back of equity shares and bought back additional 4,067,406 equity shares of ₹10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for ₹ 40.67 Million being the nominal value of equity shares bought back in terms of Sec.68 of the Companies Act, 2013.

- D) **Total number of options outstanding under various employee stock option plans, that are convertible into equity shares, as on March 31, 2019 are 3,638,178 (at March 31, 2018: 4,581,624) (Refer Note 32).**

- E) **Rights and restrictions attached to equity shares:**

The Company has only one class of equity shares with voting rights (one vote per share). The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in proportion to the number of equity shares held by the shareholders.

	As at March 31, 2019	As at March 31, 2018
15. OTHER EQUITY		
Capital Redemption Reserve	154.00	154.00
Amount equal to face value of the Company's own equity instruments bought back and cancelled which is transferred to Capital Redemption Reserve		
Securities Premium Account	2,403.49	2,399.26
Amount received on issue of shares in excess of par value has been classified as Securities Premium		
Stock Options Outstanding	142.53	124.06
The Share Option Outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise / cancellation of stock options.		
General Reserve	13.20	13.20
This reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.		
Foreign Currency Translation Reserve	(53.79)	68.89
Foreign Currency Translation Reserve comprise of the exchange difference relating to the translation of the financial statements of the Company's foreign operations from their functional currencies to the Company's presentation currency		
Retained Earnings	1,936.39	1,938.66
Retained earnings comprise of the Company's accumulated undistributed earnings.		
Other items of other comprehensive income	5.14	9.24
Other items of other comprehensive income consists of effect of re-measurement of net defined benefit liability/asset.		
	4,600.96	4,707.31

Distributions proposed:

The Board of Directors at its meeting held on May 24, 2019 have recommended, subject to approval of shareholders, a dividend of ₹1.50 per equity share of ₹ 10 each. If approved, this would result in a cash outflow of approximately ₹ 191.13 Million, inclusive of dividend distribution tax.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
16. PROVISIONS - NON CURRENT		
Provision for employee benefits:		
Provision for Compensated Absences (Refer Note 30)	38.06	34.32
Provision for Post employment benefits	—	3.23
	<u>38.06</u>	<u>37.55</u>
17. PROVISIONS - CURRENT		
Provision for employee benefits: (Refer Note 30)		
Provision for compensated absences	42.79	34.34
Provision for gratuity	33.52	15.79
Provision for post employment benefits	3.25	9.58
Provision for tax, net	102.03	96.91
Provision - others		
Provision for others (refer note 36)	—	9.31
	<u>181.59</u>	<u>165.93</u>
FINANCIAL LIABILITIES		
18. TRADE PAYABLES		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 38)	—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,116.65	1,879.55
	<u>2,116.65</u>	<u>1,879.55</u>
19. OTHER FINANCIAL LIABILITIES		
a. Non- Current		
Contingent consideration (Refer Note 40)	235.97	—
	<u>235.97</u>	<u>—</u>
b. Current:		
Capital creditors	17.32	28.60
Contingent consideration (Refer Note 40)	235.98	—
Other liabilities	23.01	30.74
	<u>276.31</u>	<u>59.34</u>
20. OTHER CURRENT LIABILITIES		
Income received in advance/ unearned revenue	51.03	56.83
Statutory dues	166.74	171.49
Advances from customers	—	8.33
	<u>217.77</u>	<u>236.65</u>

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
21. REVENUE FROM CONTRACT WITH CUSTOMERS		
The effect of initially applying IND AS 115 on the Group's revenue from contracts with customers is described in note 2(m).		
A Revenue Streams		
The Group generates revenue primarily from rendering of telecom value added services to its customers.		
Telecom value added services	5,938.64	6,356.05
	5,938.64	6,356.05
B Disaggregation of revenue from contracts with customers		
In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments		
Primary geographical markets		
India	1,005.88	1,486.90
Europe	3,441.39	3,230.60
Africa	932.17	824.10
Latin America and United States of America	288.33	487.50
Rest of the World	270.87	326.95
	5,938.64	6,356.05
Major products/service lines		
Tones	2,279.67	2,520.56
Videos	2,386.05	2,285.02
Games	672.04	590.11
Contest	280.69	427.89
Others	320.19	532.47
	5,938.64	6,356.05
Timing of revenue recognition		
Products and services transferred at a point in time	5,873.00	6,356.05
Products and services transferred over time	65.64	–
	5,938.64	6,356.05
C Contract balances		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.		
Trade receivables	1,651.26	1,707.88
Contract assets	614.66	625.93
Trade receivables are non interest bearing. The amount of trade receivables as at March 31, 2019 was impacted by an impairment provision of Rs 233.65 million. (Refer note 6)		
Contract assets includes unbilled revenue. The contract assets are transferred to trade receivables when the Group issues an invoice to the customer. (Refer note 11)		
For changes in contract assets due to acquisition of Appland AB refer note 40.		
Details of asset recognised from the costs to obtain or fulfill contract from customers is as follows:		
Contract acquisition cost (included in Note 13)	135.30	–
Amount of amortisation recognised during the year	–	–
D Performance obligations		
In relation to information about Group's performance obligations in contracts with customers refer note 2(m)		

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
22. OTHER INCOME		
Interest income on financial assets at amortised cost	-	-
– From Banks on deposits	28.60	32.46
Interest on income tax refund	0.41	34.34
Dividend income from current investments	29.79	48.01
Other non- operating Income	-	-
– Provisions no longer required written back	21.43	26.76
– Rental Income from operating leases	0.61	7.16
– Miscellaneous income	11.50	9.99
Other gains and (losses)	-	-
– Net gain on foreign currency transactions and translations	127.20	(39.23)
– Profit on short term investments (including mark to market) (net)	70.59	-
– Profit on sale of fixed assets (net)	-	3.33
	290.13	122.82
23. CONTEST EXPENSES, COST OF SOFTWARE LICENSES AND OTHERS		
Contest expenses	78.24	156.40
Cost of software licences and other charges	198.95	208.64
	277.19	365.04
24. EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	1,479.08	1,543.21
Contractors expenses	17.26	23.69
Contribution to provident fund and other funds (refer Note 30)	166.86	187.18
Share-based payments to employees (refer Note 32)	19.99	34.59
Staff welfare expenses	93.62	101.58
	1,776.81	1,890.25
25. FINANCE COSTS		
Interest on short term borrowings	0.76	1.06
	0.76	1.06
26. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on property, plant and equipment	95.55	175.70
Amortisation of intangible assets	176.68	303.42
	272.23	479.12

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
27. OTHER EXPENSE		
Power and fuel	29.12	29.03
Rent (refer note 31)	101.88	98.22
Insurance	8.91	7.92
Repairs and maintenance		
– Machinery	38.25	35.09
– Others	10.93	15.34
Office maintenance	36.97	39.29
Rates and taxes	19.42	28.91
Printing and stationery	2.93	2.46
Postage and courier	7.74	9.16
Communication charges	52.31	65.22
Training and recruitment expenses	12.79	15.55
Travelling and conveyance	124.18	135.25
Legal, professional & consultancy charges	235.89	211.36
Commission to non-whole time directors	11.44	7.89
Remuneration to auditors (Refer Note 28)	14.54	16.30
Marketing expenses	339.06	223.16
Bad trade receivables written off	68.64	13.31
Less: Provision for bad and doubtful debts released	(68.64)	(13.31)
Provision for doubtful trade receivables	58.14	48.39
Brokerage and commission	–	0.14
Bank charges	10.52	8.82
Loss on sale of assets	20.21	–
Corporate social responsibility (CSR) expenses (refer note 39)	9.00	7.34
Miscellaneous expenses	2.02	3.62
	1,146.25	1,008.46

	For the year ended March 31, 2019	For the year ended March 31, 2018
28. Auditors Remuneration		
a) Remuneration to the auditors of the Company:		
For Audit	2.85	2.85
For Taxation matters	0.50	0.50
Other services*	2.90	2.38
Reimbursement of expenses and levies*	0.81	1.01
Total	7.06	6.74
*Previous year includes an amount of ₹1.29 million paid to erstwhile auditors.		
b) Remuneration to the auditors of the subsidiaries:		
For Audit	6.43	8.19
For Taxation matters	0.53	0.53
Other services	0.52	0.84
	7.48	9.56

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

29 A. Contingent liabilities

- a Disputed Service tax ₹ 14.18 Million (March 31, 2018: ₹ 14.18 Million), disputed Income Tax ₹81.88 Million (March 31, 2018: ₹901.08 Million) and disputed Value added tax ₹Nil (March 31, 2018: ₹25.62 Million).
- b Claims against the Company not acknowledged as debt is ₹ 8.55 Million (March 31, 2018: 8.82 Million).
- c The Company, in January 2018, received a Show Cause Notice (SCN) related to a potential Service tax liability of ₹999.50 million. Management has responded on the SCN and believes that they have strong case on merits and expect to challenge the SCN issued to defend its position.
- d Other matters ₹3.48 Million (March 31, 2018- Nil)

B. Capital Commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is ₹ 12.73 Million (March 31, 2018: ₹22.75 Million).

30 Employee Benefits:

I Defined contribution plans

During the year the Company has recognized the following amounts in the statement of profit and loss:

Particulars *	For the year ended March 31, 2019	For the year ended March 31, 2018
Employer's contribution to provident fund	41.85	47.04
Contribution for foreign branches	8.83	9.05

* Included in Note 24

II Reconciliation of net defined benefit asset/ (liability)

Gratuity

Amount recognised in the statement of profit and loss in respect of gratuity cost is as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gratuity cost		
Current service cost	10.67	10.36
Past service cost	–	20.94
Interest cost	7.47	7.21
Expected return on plan assets	(6.26)	(5.57)
	11.88	32.94
Actuarial (gain)/loss recognised in OCI	6.31	(26.71)
Net gratuity cost	18.19	6.23
Assumptions		
Discount rate	7.70% p.a	7.65% p.a
Salary increase	8% p.a. for first 6 years and 7.0% p.a thereafter	8% p.a. for first 6 years and 7.0% p.a thereafter

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

The following table sets out the status of the gratuity plan:

Particulars	As at March 31, 2019	As at March 31, 2018
Change in projected benefit obligations:		
Obligation at the beginning of the year	97.68	96.87
Current service cost	10.67	10.36
Interest cost	7.47	7.21
Benefits paid	(21.02)	(10.67)
Actuarial (gain)/loss recognised in OCI	4.68	(27.03)
Past service cost	–	20.94
Obligation at the end of the year	99.48	97.68
Change in plan assets:		
Fair value of plan assets at the beginning of the year	81.89	74.82
Interest income	6.26	5.57
Actuarial gain/(loss) recognised in OCI	(1.63)	(0.32)
Contributions paid into the plan	0.46	12.49
Benefits paid	(21.02)	(10.67)
Closing fair value of plan assets	65.96	81.89

Reconciliation of present value of defined benefit obligation and the fair value of plan assets:

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation	(99.48)	(97.68)
Fair value of plan assets	65.96	81.89
Asset / (liability) recognised	(33.52)	(15.79)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have effected the defined benefit obligation by the amount shown below:

	At at March 31, 2019		At at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(11.28)	13.52	(11.05)	13.30
Future salary growth (1% movement)	9.05	(8.48)	9.26	(8.67)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2019	As at March 31, 2018
Within 1 year	8.32	8.55
2-5 years	26.04	27.65
6-10 years	23.03	19.79
More than 10 years	263.19	261.26

Assumptions regarding future mortality are based on published statistics and mortality tables.

Estimate of amount of contribution in the immediately next year ₹ 33.52 Million.

As at March 31, 2019 and March 31, 2018 100% of the plan assets were invested in insurer managed funds.

The defined benefit plan expose the Company to actuarial risks such as longevity risk, interest rate risk and market (investment) risk.

As at March 31, 2019, the weighted average duration of defined benefit obligation based on discounted cashflows is 13 years (March 31, 2018- 13 years)

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

III Other long- term benefits

Cost of compensated absences expensed in the Statement of Profit and Loss:

Particulars*	For the year ended March 31, 2019	For the year ended March 31, 2018
Compensated absences	22.10	(7.05)

* Included in Note 24

Actuarial assumptions for compensated absences are same as disclosed above for gratuity.

31 Operating lease:

The Group is obligated under non-cancellable operating lease for office space

Total rental expense and future lease payments under non-cancellable operating lease for office space are as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Expenses recognised in the consolidated statement of profit and loss under non-cancellable operating lease	21.37	33.77
Future minimum lease payments under non-cancellable operating leases:		
Not later than 1 year	10.20	53.64
Later than 1 year and not later than 5 years	–	4.66
Additionally, the Group lease office space under cancellable operating leases.		
Rental expense recognised in the Consolidated Statement of Profit and Loss under cancellable operating lease	80.51	64.45

32 Employee Stock Option Plans

The Company instituted the Employee Stock Option Plan (ESOP), which were approved by the Board of Directors. Each option is entitled to 1 equity share of ₹ 10 each. All options expires in 5 years after the vesting date. Details of ESOPs with the terms of vesting are as follows:

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – I 2003	31-Oct-03	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003	1,026,000	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first vesting.
OnMobile Employees Stock Option Plan – II 2003	04-Dec-03		114,000	
OnMobile Employees Stock Option Plan – III 2006	24-Jul-06	24-Jul-06	61,567	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan – I 2007	12-Jul-07	17-Aug-07	975,000	25% of the Options granted would vest at the end of twelve (12) months from the date of the grant and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan-II 2007	12-Jul-07	17-Aug-07	74,360	65%, 30%, 3% and 2% of the options granted would vest at the end of one year, two years, three years and four years from the grant date, respectively.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – I 2008	18-Mar-08	18-Apr-08	26,000	100% of the Options would vest over a period of four years.
OnMobile Employees Stock Option Plan II 2008	31-Oct-08	01-Aug-08	100,000	100% of the options granted would vest at the end of two years.
OnMobile Employees Stock Option Plan III 2008	31-Oct-08	01-Aug-08	748,240	For 297,170 Options 50% of the options granted would vest at the end of one year and 25% of the options would vest on a monthly basis at the end of each of second and third years from the grant date respectively and for the balance 451,070 Options granted under the Plan the vesting would be 25% of the Options would vest at the end of one year and the rest of the options shall vest at the rate of 1/36th of the options shall vest every month for the next three years.
OnMobile Employees Stock Option Plan III 2008	29-Apr-09	01-Aug-08	113,150	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	31-Jul-09	01-Aug-08	26,680	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	26-Oct-09	01-Aug-08	75,000	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan III 2008	28-Jan-10	01-Aug-08	68,500	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan IV 2008	26-Sep-08	31-Oct-08	173,953	100% of such Options granted would vest at the end of one year.
OnMobile Employees Stock Option Plan I 2010	30-Apr-10	24-Jul-10	325,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan II 2010	30-Apr-10	24-Jul-10	875,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
Plan	Board approval date	Share holder's approval date	Total options appropriated	Terms of Vesting
OnMobile Employees Stock Option Plan 2011	30-Apr-11	04-Aug-11	1,150,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2012	07-May-12	29-Aug-12	3,000,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2013	15-May-13	30-Jul-13	1,500,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

All the above plans are similar in nature and hence aggregated. Numbers of aggregated options granted, exercised and forfeited during the year under the above plans are given below:

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of Options	Weighted average exercise price (₹) per option	Number of Options	Weighted average exercise price (₹) per option
Options granted outstanding at the beginning of the year	45,81,624	63.68	54,86,705	58.18
Granted during the year	27,17,568	40.58	6,82,646	55.55
Exercised during the year	(1,25,366)	31.62	(12,20,746)	33.01
Forfeited during the year	(35,28,864)	72.06	(2,54,002)	77.77
Lapsed during the year	(6,784)	36.43	(1,12,979)	40.05
Options granted outstanding at the end of the year	36,38,178	39.45	45,81,624	63.68
Exercisable at the end of the period	13,19,212	37.06	31,36,200	57.98
Weighted average Share Price during the year (₹)		38.03		62.75
Weighted average remaining contractual life (years) at the year end	4.86 years		4.40 years	
Range of exercise price (after adjusting for bonus issue)	Rs 29.68 to Rs 128.50		Rs 22.28 to Rs 128.50	

The fair value of each unit under the above mentioned plans granted during the year is estimated using the Black-Scholes model with the following assumptions:

Grant date	16 May 2018	26 Jul 2018	27 Jul 2018
Weighted average fair value as on grant date	16.38	18.61	18.08
Weighted average share price	40.18	43.90	42.88
Exercise price	40.18	43.90	42.88
Expected volatility (%)	54.67%	54.71%	54.75%
Expected life of the option (years)	4.34	4.34	4.34
Dividend yield (%)	4%	3%	3%
Risk-free interest rate (%)	7.65%	8.30%	8.30%

33 Segment Reporting:

The Executive Chairman and Chief Executive Officer of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is engaged in providing value added services in telecom business globally and is considered to constitute a single operating segment in the context of segment reporting as prescribed by IndAS 108 - "Operating Segments" and the CODM evaluates the Group's performance as a single operating segment.

The geographical information analyses the Group's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Entity wide disclosures- Information about geographical areas

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue		
India	1,005.88	1,486.90
Latin America	200.16	327.30
Europe	3,441.39	3,230.60
Africa	932.17	824.10
America	88.18	160.20
Rest of the World	270.86	326.95
Total	5,938.64	6,356.05

Particulars	As at March 31, 2019	As at March 31, 2018
II Non-Current Assets*		
India	1,238.26	1,360.73
Latin America	42.31	46.60
Europe	1,004.34	203.12
Africa	95.37	80.76
America	175.22	184.40
Rest of the World	76.88	79.23
Total	2,632.38	1,954.84

*(excluding Financial Instruments & Deferred Tax Assets)

III Information about major customers:

Revenue from one customer accounted for more than 10% of the consolidated revenue for both year ended March 31, 2019 and March 31, 2018.

34 Earnings per Share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/(Loss) after tax as per the consolidated statement of profit and loss (In ₹ Million)	188.87	113.45
Weighted average number of shares	10,56,57,444	10,48,50,937
Weighted average number of shares for basic EPS	10,56,57,444	10,48,50,937
Weighted average number of equity shares resulting from assumed exercise of employee stock options	–	10,919
Weighted average number of equity shares for diluted EPS	10,56,57,444	10,48,61,856
	₹	₹
Nominal value of equity shares	10.00	10.00
Earnings/(loss) per share		
Basic	1.79	1.08
Diluted	1.79	1.08

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

35 Income Tax

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Income tax expense in the Consolidated statement of profit and loss consist of:		
Current income tax	226.14	240.53
Deferred tax	(101.89)	(76.84)
	124.25	163.69
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income		
Net loss/(gain) on remeasurement of defined benefit plan	(2.21)	9.24
	(2.21)	9.24

The reconciliation between the provision of Income Tax of the Company and amounts computeate by applying the Indian Statutory. Income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	313.12	277.14
Enacted income tax rate in India	34.94%	34.61%
Computed expected tax expense	109.40	95.91
Effect of:		
Income that is exempt from tax	(84.98)	(82.26)
Expenses that are not deductible in determining taxable profit	38.69	16.45
Deferred tax asset not recognised on losses	81.94	80.25
Others	(20.80)	53.34
Income tax expense recognised in the statement of profit and loss	124.25	163.69

The tax rates under Indian Income Tax Act for the year ended March 31, 2019 is 34.94% and March 31, 2018 is 34.61%

Deferred tax

Deferred tax assets as at March 31, 2019 are as follows:

	April 1, 2018	Addition on account of business combination	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2019
Difference between book and tax depreciation	113.47	(22.99)	13.02	–	–	103.50
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	118.77	21.30	22.87	2.21	(19.35)	145.80
MAT credit entitlement	206.81	–	66.26	–	–	273.07
	439.05	(1.69)	102.15	2.21	(19.35)	522.37

Deferred tax assets as at March 31, 2018 are as follows:

	April 1, 2017	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2018
Difference between book and tax depreciation	77.12	36.35	–	–	113.47
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	137.78	(2.82)	(9.24)	(6.95)	118.77
MAT credit entitlement	163.50	43.31	–	–	206.81
	378.40	76.84	(9.24)	(6.95)	439.05

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Deferred tax liabilities as at March 31, 2019 are as follows:

	April 1, 2018	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2019
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	1.08	0.26	–	0.02	1.36
	1.08	0.26	–	0.02	1.36

Deferred tax liabilities as at March 31, 2018 are as follows:

	April 1, 2017	Recognised in Profit and loss	Recognised in OCI	Adjustment for foreign currency translation	March 31, 2018
Others (Provision for compensated absences, gratuity, doubtful debts etc.)	1.08	–	–	–	1.08
	1.08	–	–	–	1.08

36 The details of Provisions under IndAS 37 - “Provisions, Contingent liabilities and Contingent assets” are as under:

Nature of Expense	Probable outflow estimated within	Provision outstanding as at April 1, 2018	Provision made during the year	Provision utilized/ adjusted during the year	Provision outstanding as at March 31, 2019
Other provisions	Not later than 1 year	9.31	–	9.31	–
	1-3 years	–	–	–	–
		9.31	–	9.31	–
Previous year		8.05	–	(1.26)	9.31

37 Transactions with related parties

I List of Related parties and relationship:

SI No.	Relationship	Related parties
	Related parties with whom the Company had transactions	
(i)	Key Management Personnel	Francois Charles Sirois, Executive Chairman and Chief Executive Officer Rajiv Khaitan, Independent Director Nancy Cruickshank, Independent Director Sanjay Baweja, Independent Director Nehchal Sandhu, Independent Director (Till July 27, 2017) Pascal Tremblay, Independent Director (Till May 26, 2017) Sanjay Kapoor, Independent Director Chris Arsenaault, Independent Director Gianluca D'Agostino, Independent Director Praveen Kumar K J, Chief Financial Officer (Till March 16, 2018) Ganesh Murthy , Chief Financial Officer (From March 26, 2018) P V Varaprasad, Company Secretary
(ii)	Enterprises owned or significantly influenced by key management personnel/Directors or their relatives	OnMobile Systems Inc., USA

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

II Transactions with Related Parties:

SI No	Nature of transactions	Key Management Personnel	
		March 31, 2019	March 31, 2018
1	Remuneration to Key management personnel		
	Short-term employee benefits	41.29	42.37
	Share- based payment	2.49	2.67
	Others	19.14	16.08
	Total	62.92	61.12

III Balances with related parties:

There were no balances as on March 31, 2019 and March 31, 2018 with any of the related parties

Notes:

- No amount has been written off during the year in respect of debts due from related party.
- Employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

38 The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 has been made in the financials statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Based on the information available with the Company, there are no dues to suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31 March 2019.

Particulars	As at 31 March 2019	As at 31 March 2018
(i) The amounts remaning unpaid to micro and and small supplier as at the end of each year :		
– Principal	–	–
– Interest	–	–
(ii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	–	–
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	–	–
(iv) The amount of interest accrued and remaining un-paid at the end of each accounting year	–	–
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductibles expenditure under Section 23 of the MSMED Act, 2006	–	–

39 Total expenditure incurred on Corporate Social Responsibility activities other than construction/ acquisition of assets, during the year ended March 31, 2019 is Rs 9.00 Million (during the year ended March 31, 2018: ₹ 7.34 Million)

40 Business combination

On October 11, 2018, the Group entered into a Share Purchase and Earn out Agreement ('SPA') to acquire 100% shares of Appland AB, a company incorporated in Sweden, which provides cloud-based app-distribution, subscription and monetization services to several well-known telecom operators and global corporates across the world for a total consideration (including earn out) not exceeding Rs 1,087.40 million. The group has accounted for this acquisition on provisional basis.

For the period ended March 31, 2019, Appland AB. contributed revenue of Rs 65.64 million to the Group's results. Management estimates that if the acquisition had occurred on April 01, 2018, consolidated revenue for the year would have been higher by Rs 91.10 million.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

A Purchase consideration

The following table summarises the acquisition date fair value of each major class of consideration:

Cash	376.06
Contingent consideration	483.20
Total consideration for business combination	859.26

Contingent consideration

The Group has agreed to pay to the selling shareholders in two years' time maximum additional consideration of INR 649.59 million over 4 periods of 6 months ranging from 1 January 2019 to 31 December 2020 based on the Gross profit earned from the Games Subscription Business Unit. The Group has included Rs 483.20 million as contingent consideration related to the additional consideration, which represents its fair value at the date of acquisition. The fair value of contingent consideration was estimated by applying the discounted cash flow approach and probability adjusted revenue and earning estimate recorded as part of provisional purchase price allocation.

B Acquisition-related costs

The Group incurred acquisition-related costs of Rs 3 million on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

C The total purchase price of Rs 859.26 for the acquisition of Appland AB was allocated based on management's estimates of the fair values of the assets acquired and the liabilities assumed as follows:

Assets acquired	
Deferred tax assets	21.30
Cash and cash equivalents	0.70
Trade receivables	15.81
Current assets	19.84
Identified intangible assets:	
Software	138.58
Customer relationships	4.67
Total assets	200.90
Less: liabilities assumed	
Deferred tax liabilities, net	(22.99)
Trade and other payables	(68.02)
Loans and borrowings	(31.57)
Total liabilities	(122.58)
Net assets acquired	78.32
Fair value of consideration	859.26
Goodwill	780.94

The acquired intangible assets have an estimated useful life ranging from 6 to 10 years.

The goodwill recognised is not expected to be deductible for tax purposes. Goodwill which amounts to ₹ 780.94 million is attributable mainly to the acquired employee workforce and synergies to be achieved from expected cost savings on account of combination and other economies of scale.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Intangible assets	<p>Relief-from-royalty method : The relief from- royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents or trademarks being owned.</p> <p>Multi-period excess earnings method: The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.</p>

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

41 Financial instruments by category

Particulars	Carrying value		Fair value	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Financial assets				
Amortised cost				
Loans	74.92	80.27	74.92	80.27
Trade receivables	1,651.26	1,707.88	1,651.26	1,707.88
Cash and cash equivalents	794.13	1,799.63	794.13	1,799.63
Other bank balances	11.91	48.69	11.91	48.69
Other financial assets	634.03	650.61	634.03	650.61
Investments	102.69	–	102.69	–
FVTPL (Level 1)				
Investments in mutual funds	1,813.81	1,203.30	1,813.81	1,203.30
Total financial assets	5,082.75	5,490.38	5,082.75	5,490.38
Financial liabilities				
Amortised cost				
Trade payables	2,116.65	1,879.55	2,116.65	1,879.55
Other financial liabilities	512.28	34.42	512.28	34.42
Total financial liabilities	2,628.93	1,913.97	2,628.93	1,913.97

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised at fair value and 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 under the accounting standard as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities,

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, borrowings, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- The fair value of the unquoted mutual fund are based on market observable inputs at reporting date. The fair value of other financial liabilities is estimated by credit risk and remaining maturities.
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivative financials instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stake holders to optimise equity. The Group's Corporate Treasury reviews the capital structure on a quarterly basis.

The capital structure of the Group consists of only equity as of March 31, 2019. The Group is not subject to any externally imposed capital requirements.

Financial risk management

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risk.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk along with credit risk and liquidity risk.

The Group seeks to minimise the effects of these forex by hedging the forex exposures through forward contracts, liquidity risk by diversifying its investments in various schemes of debt mutual funds and fixed deposits. The Group manages its credit risks by monitoring the credit rating of the customers, banks and mutual funds. Corporate Treasury Function reports quarterly to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

Market Risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to Group's investments. The Group's investments are primarily short term, which do not expose it to significant interest rate risk.

(ii) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective foreign operations. The Group enters into forward foreign exchange contracts to hedge its exposure to foreign currency risk arising on the net export of services.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

₹ In Million

Particulars	As at 31-Mar-2019				
	USD	EURO	BDT	Other currencies*	Total
Assets					
Trade receivables	176.53	70.90	16.31	17.21	280.95
Cash and cash equivalents	104.76	50.51	114.36	26.47	296.10
Other assets	403.69	12.49	102.84	26.58	545.60
Liabilities					
Trade payable	(96.98)	(90.68)	(19.21)	(41.46)	(248.33)
Other liabilities	(190.92)	(83.34)	(7.47)	(3.45)	(285.18)
Net assets/liabilities	397.08	(40.12)	206.83	25.35	589.14

*Other currencies include EGP,BRL,CAD,MXN,MYR, SGD,COP,PEN,ZAR etc.

₹ In Million

Particulars	As at 31-Mar-2018				
	USD	EURO	BDT	Other currencies*	Total
Assets					
Trade receivables	339.26	77.95	15.45	19.69	452.35
Cash and cash equivalents	168.13	33.07	85.89	73.04	360.14
Other assets	270.88	14.00	97.31	64.64	446.83
Liabilities					
Trade payable	(53.04)	(118.67)	(18.89)	(37.33)	(227.93)
Other liabilities	(53.43)	(86.39)	(7.69)	(121.39)	(268.90)
Net assets/liabilities	671.81	(80.03)	172.06	(1.35)	762.49

*Other currencies include EGP,BRL,CAD,MXN,MYR, SGD,COP,PEN,ZAR etc.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

The Group is mainly exposed to USD ,EUR & BDT for the year ended March 31,2019. Every 1% increase/decrease in the said currencies compared to Indian Rupee would impact profit and equity by 0.09%/(0.09%) and 0.10%/(0.10%) respectively. For the year ended Mar 31,2018 the impact on profit and equity was 0.12%/(0.12%) and 0.13%/(0.13%) respectively.

Derivative financial instruments

The Group is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and forecasted cash flows denominated in foreign currency. The Group follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is a bank and the Group considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Group's derivative contracts outstanding:

Non designated derivative Instrument	As at March 31, 2019 Nominal Value	As at March 31, 2018 Nominal Value	Currency	As at March 31, 2019	As at March 31, 2018
	(In ₹ Mn)	(In ₹ Mn)		(Foreign Currency in Mn)	(Foreign Currency in Mn)
Forward Contract -(SELL)	51.87	260.71	USD/INR	0.75	4.00
Forward Contract -(SELL)	116.53	280.63	EUR/INR	1.50	3.50
Total Forward contracts	168.40	541.34		2.25	7.50

The foreign exchange forward contracts mature within 12 months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date:

Particulars	As at March 31, 2019 Nominal Value	As at March 31, 2018 Nominal Value
	(In ₹ Mn)	(In ₹ Mn)
Not later than 1 month	56.13	72.68
Later than 1 month but not later than 3 months	112.27	145.36
Later than 3 months but not later than 1 year	–	323.30
	168.40	541.34

In respect of the Group's forward contracts, a 1% decrease/increase in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

- an approximately 0.03% increase and (0.03%) decrease in the Company's net profit and approximately 0.03% increase and (0.03%) decrease in equity as at March 31, 2019.
- an approximately 0.09% increase and (0.09%) decrease in the Company's net profit and approximately 0.09% increase and (0.09%) decrease in equity as at March 31, 2018;"

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

i) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The following table gives details in respect of percentage of revenues generated from top customer and top 4 customers:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from top customer	3,044.50	2,920.74
Revenue from top 4 customers	3,819.50	4,016.43

1 customer accounted for more than 10% of the consolidated revenue. No other single customer contributed 10% or more to the Group's consolidated revenue for both year ended March 31, 2019 and March 31, 2018.

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

ii) Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have rating of AA/AAA. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group's corporate treasury department is responsible for liquidity management, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Group invests its surplus funds in Bank fixed deposit and liquid and liquid plus schemes of mutual funds and short term mutual funds, which carry no/ low mark to market risks.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	As at March 31, 2019	As at March 31, 2018
	Less than 1 Year	Less than 1 Year
Trade payables	2,116.65	1,879.55
Other financial liabilities	512.28	34.42
Total	2,628.93	1,913.97

42 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	Net assets, i.e., total assets minus total liabilities as at March 31, 2019		Share of profit or (loss) for the year ended March 31, 2019		Share of other comprehensive income for the year ended March 31, 2019		Share of total comprehensive income for the year ended March 31, 2019	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit or loss	Amount ₹	As % of consolidated OCI	Amount ₹	As % of consolidated Total Comprehensive income	Amount ₹
Parent - OnMobile Global Limited	66.56%	3765.67	-273.79%	-528.23	-11%	14.10	-803%	-514.13
Subsidiaries:								
Foreign:								
OnMobile Singapore Pte. Ltd.	0.17%	9.73	80.13%	154.60	3%	(4.24)	235%	150.36
PT OnMobile Indonesia	0.00%	-	0.00%	-	0%	0.07	0%	0.07
Servicios De Telefonía OnMobile Sa De Cv	-0.08%	(4.50)	3.20%	6.18	0%	(0.34)	9%	5.84
OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	-0.69%	(39.04)	-22.14%	(42.72)	0%	(0.25)	-67%	(42.97)
OnMobile Global for Telecommunication Services	1.69%	95.57	53.72%	103.65	1%	(1.64)	160%	102.01
OnMobile Telecom Burkina Faso, S.A.R.L.	0.09%	5.36	4.00%	7.72	0%	0.26	12%	7.98
OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.07%	4.11	-6.54%	(12.61)	-7%	9.24	-5%	(3.37)
OnMobile Global Czech Republic S.R.O	0.04%	2.08	-0.29%	(0.55)	0%	0.11	-1%	(0.44)
OnMobile Live Inc	-0.77%	(43.77)	-69.20%	(133.51)	-1%	1.56	-206%	(131.95)
OnMobile Kenya Telecom Limited	0.76%	43.14	-12.38%	(23.89)	0%	(0.17)	-38%	(24.06)
OnMobile Telecom Limited	-0.04%	(2.17)	-4.18%	(8.07)	0%	(0.42)	-13%	(8.49)

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

Name of the entity	Net assets, i.e., total assets minus total liabilities as at March 31, 2019		Share of profit or (loss) for the year ended March 31, 2019		Share of other comprehensive income for the year ended March 31, 2019		Share of total comprehensive income for the year ended March 31, 2019	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit or loss	Amount ₹	As % of consolidated OCI	Amount ₹	As % of consolidated Total Comprehensive income	Amount ₹
OnMobile Mali SARL	0.00%	-	0.37%	0.71	0%	(0.11)	1%	0.60
OnMobile Senegal SARL	0.00%	-	0.09%	0.18	0%	(0.15)	0%	0.03
OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	-0.06%	(3.31)	-11.85%	(22.86)	0%	0.02	-36%	(22.84)
OnMobile Costa Rica OBCR, S.A.	0.19%	10.70	6.23%	12.01	0%	0.01	19%	12.02
OnMobile Ghana Telecom Limited	0.02%	1.06	-1.62%	(3.12)	-2%	2.16	-1%	(0.96)
OnMobile Madagascar Telecom Limited	0.02%	1.03	-0.44%	(0.85)	0%	(0.02)	-1%	(0.87)
OnMobile Nigeria Telecom Limited	3.34%	188.79	28.08%	54.18	1%	(1.75)	82%	52.43
OnMobile Rwanda Telecom Limited	0.00%	(0.19)	-0.16%	(0.31)	0%	(0.04)	-1%	(0.35)
OnMobile Uganda Limited	0.12%	6.68	0.11%	0.22	1%	(0.86)	-1%	(0.64)
OnMobile Zambia Telecom Limited	0.12%	6.87	8.26%	15.94	0%	0.30	25%	16.24
OnMobile Telecom Sierra Leone Limited	-0.12%	(6.92)	-2.08%	(4.02)	-1%	1.56	-4%	(2.46)
OnMobile Uruguay SA	0.05%	2.55	1.06%	2.04	0%	0.48	4%	2.52
OnMobile Global Solutions Canada Limited	0.02%	1.35	-16.32%	(31.49)	4%	(5.24)	-57%	(36.73)
OnMobile Global SA	0.33%	18.48	-12.59%	(24.29)	41%	(51.67)	-119%	(75.96)
OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	-0.01%	(0.29)	-0.01%	(0.02)	0%	(0.03)	0%	(0.05)
OnMobile Europe B.V.	0.08%	4.31	-3.73%	(7.20)	-19%	23.93	26%	16.73
OnMobile S.A.	0.63%	35.79	-28.21%	(54.43)	5%	(6.76)	-96%	(61.19)
OnMobile USA LLC	2.87%	162.36	-67.11%	(129.48)	53%	(67.25)	-308%	(196.73)
OnMobile De Venezuela C.A.	0.05%	2.88	0.52%	1.00	24%	(29.84)	-45%	(28.84)
Appland AB	7.28%	411.96	-18.48%	(35.66)	19%	(24.25)	-94%	(59.91)
OnMobile Bangladesh Private Limited	3.93%	222.54	24.55%	47.36	-4%	5.22	82%	52.58
OnMobile Global Spain S.L	12.64%	715.35	386.60%	745.87	-7%	9.31	1181%	755.18
OnMobile Global Italy SRL	-0.03%	(1.59)	0.05%	0.09	0%	0.07	0%	0.16
OnMobile Tanzania Telecom Limited	0.00%	(0.21)	-0.53%	(1.02)	0%	(0.22)	-2%	(1.24)
OnMobile Latam holding SL	-0.01%	(0.43)	-0.23%	(0.44)	0%	(0.01)	-1%	(0.45)
OnMobile Global South Africa (PTY) Ltd	0.66%	37.06	62.55%	120.67	1%	(1.34)	187%	119.33
OnMobile Global Limited Colombia S.A.S	0.09%	4.92	-7.63%	(14.72)	-1%	1.42	-21%	(13.30)
Associates (Investment as per the equity method):								
Indian:								
Mobile Voice Konnect Private Limited	0%	-	0%	-	0%	-	0%	-

Notes forming part of the Consolidated financial statements

(₹ in millions, except share and per share data, unless otherwise stated)

43 Exceptional items:

During the year ended March 31, 2018, the Venezuela Government devalued its currency Venezuelan Bolivar Fuerte (VEF). The effect of restatement of the assets and liabilities from foreign currency (VEF) to functional currency at the period end rates on such devaluation is presented as exceptional item.

44 The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended March 31, 2019.

As per our report of even date attached

For and on behalf of the Board of Directors

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sampad Guha Thakurta

Partner

Membership Number- 060573

François-Charles Sirois

Executive Chairman and Chief Executive Officer

DIN- 06890830

Sanjay Baweja

Director

DIN- 00232126

Ganesh Murthy

Chief Financial Officer

P V Varaprasad

Company Secretary

Membership Number- FCS 5877

Place : Bengaluru

Date : May 24, 2019

Place : Montreal, Canada

Date : May 24, 2019

Notice of the 19th Annual General Meeting

Notice is hereby given that the Nineteenth Annual General Meeting (AGM) of The Members of OnMobile Global Limited will be held on Tuesday, September 17, 2019 at 11.30 a.m IST at The Chancery Pavilion Hotel, 135, Residency Road, Bengaluru- 560025, Karnataka, India to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of financial statements

To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors ('Board's Report') and auditors thereon.

Item No. 2: Declaration of dividend

To declare a dividend of ₹ 1.50 per equity share for the financial year ended March 31, 2019.

Item No. 3: Appointment of François Charles Sirois as a Director liable to retire by rotation

To appoint a Director in place of François-Charles Sirois who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

Item No. 4: Re-appointment of François-Charles Sirois as Executive Chairman of the Company

To consider and, if thought fit, to pass the following resolution as a special resolution:

"RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of the Central Government as may be required, approval of the Company be and is hereby accorded to the re-appointment of François-Charles Sirois (DIN 06890830) as the 'Executive Chairman' of the Company, for a period of Five (5) years w.e.f November 1, 2019, on the remuneration and other terms and conditions as set out hereunder and the said remuneration be paid for a period of three (3) years commencing from November 1, 2019 to October 31, 2022 in terms of proviso to Section II of Part II of Schedule V of the Companies Act, 2013:

Fixed Compensation (FC) : INR 4,000,000 /- per annum.
Other terms and conditions : as per the Company policies from time to time

RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2019, during the tenure of François-Charles Sirois as 'Executive Chairman' of the Company, the Company incurs loss or its profits are inadequate, the Company shall pay to François-Charles Sirois the said remuneration by way of salary, bonus and other allowances as a minimum remuneration irrespective of whether the same exceeds or not the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration for a period not exceeding three (3) years from the date of appointment.

RESOLVED FURTHER THAT the Board of Directors of the Company on the recommendation of the Nomination and Compensation Committee of the Board be and are hereby authorised to alter or modify or vary the terms and conditions of appointment and/or remuneration of François-Charles Sirois subject to the provisions of Section 197 read with Schedule V of the Companies Act, 2013 and to do all such acts, deeds, matters and things as may be deemed fit for the purpose of giving effect to the above resolution and matters related thereto."

Item No. 5: Re-appointment of François-Charles Sirois, Executive Chairman and CEO of the Company as Director/ Manager/ Consultant/Employee in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company

To consider and if thought fit, to pass the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory amendment, modification or re-enactment thereof), approval of the Company be and is hereby accorded for re-appointment of François-Charles Sirois, Executive Chairman and CEO of the Company as Director/Manager/Consultant/Employee in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company, and thereby his holding the office or place of profit as such in the subsidiary company within the meaning of Section 188 of the Companies Act, 2013 for a period of five (5) years w.e.f October 1, 2019 at a total remuneration of USD 192,000 (equivalent of INR 13,318,000 approximately) per annum, to be paid as fixed or variable pay, allowances or otherwise either monthly or quarterly or annually as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company on the recommendation of the Nomination and Compensation Committee of the Board be and are hereby

authorised to vary, alter or modify and/or to refix the aforesaid remuneration to François-Charles Sirois, within the limits aforesaid and to do all such acts, deeds, matters and things as may be deemed fit for the purpose of giving effect to the above resolution and matters related thereto."

By Order of the Board of Directors
For OnMobile Global Limited

Sd/-
P V Varaprasad
Company Secretary

Date: May 24, 2019
Place: Montreal, Canada

Regd. Office:

OnMobile Global Limited,
Tower #1, 94/1C & 94/2,
Veerasandra Village, Attibele Hobli,
Anekal Taluk, Electronic City Phase-1,
Bengaluru- 560100, Karnataka, India
CIN: L64202KA2000PLC027860

NOTES:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/ HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing the proxy, duly completed must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
4. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. A member shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time

during the business hours of the Company, provided that not less than three days' of notice in writing is given to the Company.

8. Members/proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. **The Register of Members and Share Transfer Books of the Company shall remain closed from September 11, 2019 to September 17, 2019 (both days inclusive) for the purpose of payment of dividend and the 19th AGM of the Company**
11. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM will be paid within 30 days from the date of declaration to those members whose names appear on the Register of Members as on September 10, 2019.
12. Members whose shareholding is in electronic mode are requested to inform change of address and updates of savings bank account details to their respective depository participants.
13. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents ("RTA"), Karvy Fintech Private Limited (Unit: OnMobile), Karvy Selenium Tower B, Plot no. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, India.
14. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund ("IEPF"). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act and the applicable rules.

Pursuant to The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is providing / hosting the required details of unclaimed amount referred to under Section 124 of the Companies Act, 2013 on its website www.onmobile.com and also on the website of the Ministry of Corporate Affairs (MCA) viz., www.iepf.gov.in.

15. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
16. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs") in case the shares are held by them in electronic form and with the company's RTA, Karvy Fintech Private Limited in case the shares are held by them in physical form.
17. The Notice of the 19th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
18. Members may also note that the Notice of the 19th AGM and the Annual Report 2019 will be available on the Company's website, www.onmobile.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: investors@onmobile.com.
19. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide Ministry of Corporate Affairs notification dated May 7, 2018. Therefore, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September 06, 2017 for a period of five years until the conclusion of 22nd AGM to be held in the Calendar Year 2022.
20. Additional information pursuant to sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director(s) seeking appointment/re-appointment at the AGM is annexed hereto and forms part of the Notice.
21. The Securities and Exchange Board of India (SEBI) has mandated submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's RTA, Karvy Fintech Private Limited.

Shareholders are requested to immediately notify their bank particulars giving the name of the bank and the branch, account number, account type, 9 digits MICR number, 11 digit IFS Code to the Company's RTA, Karvy Fintech Private Limited, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.
22. As per Regulation 40 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Karvy Fintech Private Limited for assistance in this regard.
23. The route map showing directions to reach the venue of the 19th AGM is annexed.
24. Information and other instructions relating to e-voting are as follows:
 - i. In compliance with Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Karvy Fintech Private Limited ("Karvy"). The facility for voting through Poll will be made available at the meeting and the members attending the meeting who have not cast their votes by remote e-voting shall be able to cast their votes at the meeting through physical Poll.
 - ii. The members who have voted through remote e-voting may attend the AGM but shall not be entitled to cast their vote again.
 - iii. The Company has engaged the service of Karvy Fintech Private Limited ("Karvy") as the Agency to provide e-voting facility.
 - iv. Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the member/ beneficial owner as on **September 10, 2019 being the cut-off date**.
 - v. A person, whose name is appearing in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **September 10, 2019** shall only be entitled to avail the facility of remote e-voting /poll.
 - vi. Any person who becomes the member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date may write to Karvy on their e-mail ID einward.ris@karvy.com or Karvy Fintech Private Limited (Unit: OnMobile), Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally Mandal,

Hyderabad-500032 or contact S V Raju on 040-67162222 requesting for User ID and password. After receipt of above credentials, a member may follow the instructions for e-voting to cast his votes. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting his votes through remote e-voting.

- vii. The remote e-voting facility will be open only during the following voting period:

Commencement of Remote e-voting:	9.00 a.m. (IST) on September 13, 2019
End of Remote e-voting:	5.00 p.m. (IST) on September 16, 2019

The detailed instructions sheet for remote e-voting is attached.

25. The Board of Directors of the Company have appointed Parameshwar G Hegde of Hegde & Hegde, Company Secretaries as the Scrutinizer, for conducting both remote e-voting and Poll voting process at the meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the purpose.
26. The Scrutinizer, after scrutinizing the votes cast at the meeting by Poll and remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman.
27. The results declared along with the consolidated Scrutinizer's report shall be placed on the website of the Company www.onmobile.com and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.
28. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the meeting i.e. **September 17, 2019**.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

Shareholders at their AGM held on September 08, 2015 approved the appointment of Francois Charles Sirois as Executive Chairman of the Company for a period of 5 years w.e.f. November 01, 2014 and for payment of remuneration INR 18,450,000 per annum (as fixed compensation + variable pay) for a period starting from November 01, 2014 to October 31, 2017.

Subsequently, the shareholders at their AGM held on September 06, 2017 approved the appointment of François-Charles Sirois, Executive Chairman as Chief Executive Officer and re-designated as 'Executive Chairman and Chief Executive Officer' of the Company effective March 01, 2017 and for the payment of remuneration INR 5,525,000 per annum (as fixed compensation) w.e.f April 1, 2017 till October 31, 2019 in terms of proviso to Section II of Part II of Schedule V of the Companies Act, 2013.

As the current tenure of Francois Charles Sirois as Executive Chairman in the Company is coming to end on October 31, 2019, it is proposed to re-appoint Francois as Executive Chairman for a further period of five years with effect from November 1, 2019 to October 31, 2024 and for the payment of remuneration of INR 4,000,000 per annum for a period of three years w.e.f November 01, 2019 till October 31, 2022 in terms of proviso to Section II of Part II of Schedule V of the Companies Act, 2013.

The Board of Directors of the Company at their meeting held on May 24, 2019, subject to approval of the members and approval of the Central Government as may be required, re-appointed Francois Charles Sirois as Executive Chairman of the Company for a period of five years w.e.f November 1, 2019 on the remuneration and other terms and conditions of appointment as recommended by the Nomination and Compensation Committee of the Board.

Statement of information pursuant to Section II of Part II of Schedule V of Companies Act, 2013

Sl. No	General Information	
1.	Nature of industry	Telecom value added services OnMobile is a global leader in the delivery of high quality Value Added Services, which are used by many of the best known mobile operators to provide information, entertainment and personalization services to their customers.
2.	Date or expected date of commencement of commercial production	Year 2000 (Date of Incorporation : September 27, 2000)
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

4.	Financial performance based on given indicators	Financial Year 2018-19 (₹ in Millions)	Financial Year 2017-18 (₹ in Millions)	
	Paid up capital	1,056.96	1,055.71	
	Reserves and Surplus	6,213.00	6,044.23	
	Turnover	2,295.20	2,506.32	
	Profit/(Loss) before tax	373.41	421.24	
	Profit/(Loss) after tax	328.03	388.96	
	Export performance and net foreign exchange earned	1,324.73	1,534.97	
5.	Foreign investments or collaborations, if any.	(No. of Shares)		
		Particulars	FY 2018-19	FY 2017-18
		Foreign Nationals	133,090	133,090
		Companies	50,923,703	50,923,703
		Foreign Portfolio Investors/Corporates	1,777,426	3,677,305
		NRIs/PIO	1,206,509	1,252,183
Sl. No	Information about the re-appointee			
1.	Background details	<p>Francois Charles Sirois holds a Bachelor of Business Administration, options in finance and marketing, HEC Montreal.</p> <p>Francois Charles Sirois is the President and CEO of Telesystem, a global media and technology holding company. He is also the President and Chief Executive Officer of OnMobile Systems Inc., the largest shareholder of OnMobile. François-Charles has more than 20 years of experience in corporate mergers, acquisitions and financing. His entrepreneurship expertise and talent for developing successful joint ventures with innovative partners have enabled Telesystem to leverage the momentum in the media and technology industry. Before joining Telesystem, François-Charles Sirois founded and helmed up2 technologies, Microcell i5 and Masq.</p> <p>He currently serves on the Boards of OnMobile Systems, Inc., Telesystem Ltd., Stingray Group Inc., Zone3 Inc., Telesystem Media Inc., Telesystem Energy Ltd., CVTCORP Transmission Inc., OnMobile Global Solutions Canada Ltd., Télésystème Immobilier Inc., OnMobile USA LLC and NorthStar Earth & Space Inc.</p>		
2.	Past remuneration	The details of remuneration drawn by François-Charles Sirois, in the preceding three financial years (2016-17, 2017-18 and 2018-19) from the Company are as below:		
		Financial Year	Designation	Remuneration*
		2016-17	Executive Chairman & CEO	₹ 14,203,782
		2017-18	Executive Chairman & CEO	₹ 7,774,328
		2018-19	Executive Chairman & CEO	₹ 5,525,000
*The above remuneration does not include the remuneration drawn by François-Charles Sirois from OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company				
3.	Recognition or awards	-		

4.	Job profile and his suitability	<p>François-Charles Sirois has been playing a central role in developing the long term strategic plan for OnMobile Global Limited to oversee its implementation in a phased manner. He has been playing a key role in implementing organisational transformation, conceptualising innovative products, developing marketing strategies and international business development.</p> <p>In addition, he has been contributing his expertise in digital media as well as guide the OnMobile teams on matters pertaining to content procurement and sourcing on a global scale.</p> <p>François-Charles Sirois, by virtue of his vast expertise in steering numerous companies through growth cycles, has the leadership skills and domain knowledge to lead OnMobile into the next phase of its growth.</p>
5.	Remuneration proposed	INR 4,000,000/- per annum.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Comparative remuneration numbers were considered from well-known listed companies. The indicative salary range for this role is ₹ 30 to 50 Million which includes annual cash and bonus.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	<p>François-Charles Sirois has no pecuniary relationship either direct or indirect with the company and he is not related to any director of the company, except that</p> <ul style="list-style-type: none"> - he is the Executive Chairman and CEO of the Company, - he holds an office or place of profit in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company, and - he represents the promoter of the Company i.e. OnMobile Systems Inc. and is also a director therein.
Sl. No	Other Information	
1.	Reasons of loss or inadequate profits	The Company has adequate profit for the financial year ending March, 31, 2019. However, the statement of information as per Section II of Part II of Schedule V of Companies Act, 2013 is being furnished in order to facilitate payment of minimum remuneration in the event of inadequate profits, if any during the tenure of François-Charles Sirois.
2.	Steps taken or proposed to be taken for improvement	<ol style="list-style-type: none"> 1. Rationalization of manpower and operating expenses in order to leverage underutilized assets. 2. Acquisition of Appland (Gaming Company) to expand into the gaming vertical in Europe and upcoming launches in India, Latam, and Africa. 3. Transformation in the Management team to make the organization more cost-effective, entrepreneurial, agile, efficient and dynamic. 4. Several new projects/deals including Kids project in Spain, deals in Mexico, India & Middle East and Africa were signed. 5. Identifying and closing down of loss making entities / offices.
3.	Expected increase in productivity and profits in measurable terms.	Financials on a Standalone basis in future years are expected to be in line with 2018-19 financial results and financials on a Consolidated basis in future years are expected to show a growth in terms of revenue and PBT from 2018-19 financial results.

François-Charles Sirois being a Canadian Citizen is not a resident of India at the time of re- appointment. His re-appointment is subject to approval of the Central Government pursuant to Schedule V of Companies Act, 2013.

Copy of the draft letter of re-appointment of François-Charles Sirois as Executive Chairman of the Company setting out the terms and conditions of re-appointment is available for inspection by members at the Registered Office of the Company.

The resolution seeks the approval of the shareholders for re-appointment of François-Charles Sirois as Executive Chairman of the Company for a period of 5 years from November 1, 2019 to October 31, 2024 and proposed remuneration for a period of 3 years in terms of Proviso to Section II of Part II of Schedule V of the Companies Act, 2013.

No director, key managerial personnel or their relatives, except François-Charles Sirois to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the special resolution set forth in Item No. 4 for the approval of the shareholders.

Item No. 5

OnMobile Global Solutions Canada Limited is a wholly owned subsidiary of the Company in Canada. The subsidiary is of strategic importance for the business in the North American region.

With a view to ensure effective Board guidance to the management of affairs of the region, the shareholders at their AGM held on September 14, 2016 approved the appointment of Francois Charles Sirois, as a Director/ Manager/ Consultant/ Employee in OnMobile Global Solution Canada Limited, wholly owned subsidiary of the Company, being an office or place of profit within the meaning of Section 188 of the Companies Act, 2013 and to his holding the office or place of profit as such in the subsidiary company for a period of 3 years with effect from October 1, 2016 at a total remuneration of USD 318,387 per annum.

As tenure of Francois Charles Sirois in OnMobile Global Solutions Canada Limited is coming to an end on September 30, 2019, pursuant to the recommendation of the Nomination and Compensation Committee, subject to approval of the shareholders, the Board of Directors at their meeting held on May 24, 2019 considered and approved to re-appoint Francois Charles Sirois as a Director/ Manager/ Consultant/ Employee in OnMobile Global Solution Canada Limited for a period of 5 years with effect from October 1, 2019 at a total remuneration of USD 192,000 (equivalent of INR 13,318,000 approximately) per annum, so that he would continue to oversee the overall operations of the geography and for devoting substantial time and assuming additional responsibility, he would be entitled to remuneration.

Pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014, approval of the shareholders is, inter alia, required by passing a Special Resolution, where a Director holds an office or place of profit in any subsidiary of the Company. François-Charles Sirois is the Executive Chairman and CEO of the Company and is also proposed to be re-appointed as a Director/Manager/ Consultant/ Employee in the wholly owned subsidiary company.

François-Charles Sirois is a related party as per Section 2(76) (i) of the Companies Act, 2013. As per Section 177(4) (iv) of the Companies Act, 2013, the Audit Committee at its meeting held on May 23, 2019 has approved the proposal.

No director, key managerial personnel or their relatives, except François-Charles Sirois to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the special resolution set forth in Item No. 5 for the approval of the shareholders.

[Additional information on Directors seeking Appointment / Re-appointment at the AGM pursuant to Regulation 36 of SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015](#)

Particulars	François-Charles Sirois
Date of Birth	05-05-1975
Date of Appointment	26-06-2014
Qualifications	Bachelor of Business Administration, options in finance and marketing, HEC Montreal
Expertise in specific functional areas	François-Charles has more than 20 years of experience in corporate mergers, acquisitions and financing. He has wide experience in Media (multi-platform music services and digital content production, distribution and promotion), Internet, Software, Venture Capital & Private Equity industries.
Directorships held in other companies (including foreign companies) as on date	<ol style="list-style-type: none"> 1. OnMobile Systems Inc. 2. Telesystem Ltd. 3. Stingray Group Inc. 4. Zone3 Inc. 5. Telesystem Media, Inc. 6. Telesystem Energy Ltd. 7. CVTCORP Transmission Inc. 8. OnMobile Global Solutions Canada Ltd 9. Télésystème Immobilier Inc. 10. OnMobile USA LLC 11. North Star Earth & Space Inc.
Disclosure of relationship between directors inter-se	François-Charles Sirois is not related to any other Director of the Company
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders/ Investors Grievance Committee)	NIL
Number of shares held in the Company	NIL

For other details such as the number of meetings of the Board attended during the year, remuneration drawn in respect of above director, please refer to the Corporate Governance Report which is part of the Annual Report.

By Order of the Board of Directors
For OnMobile Global Limited

Sd/-
Date: May 24, 2019
Place: Montreal, Canada

P V Varaprasad
Company Secretary

Regd. Office:
OnMobile Global Limited,
Tower #1, 94/1C & 94/2, Veerasandra Village,
Attibele Hobli, Anekal Taluk, Electronic City Phase-1,
Phase-1, Bengaluru- 560100, Karnataka, India
CIN: L64202KA2000PLC027860

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PROXY FORM

19th Annual General Meeting – September 17, 2019

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 19th Annual General Meeting of the Company, to be held on Tuesday, September 17, 2019 at 11.30 a.m. IST at The Chancery Pavilion Hotel, 135, Residency Road, Bengaluru- 560025, Karnataka, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Description	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Adoption of financial statements		
2	Declaration of dividend		
3	Appointment of François- Charles Sirois as a Director liable to retire by rotation		
4	Re-appointment of François-Charles Sirois as Executive Chairman of the Company		
5	Re-appointment of François-Charles Sirois, Executive Chairman and CEO of the Company as Director/Manager/ Consultant/Employee in OnMobile Global Solutions Canada Limited, wholly owned subsidiary of the Company		

Signature of the proxy holder(s).....

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



ATTENDANCE SLIP

19th Annual General Meeting – September 17, 2019[illegible]

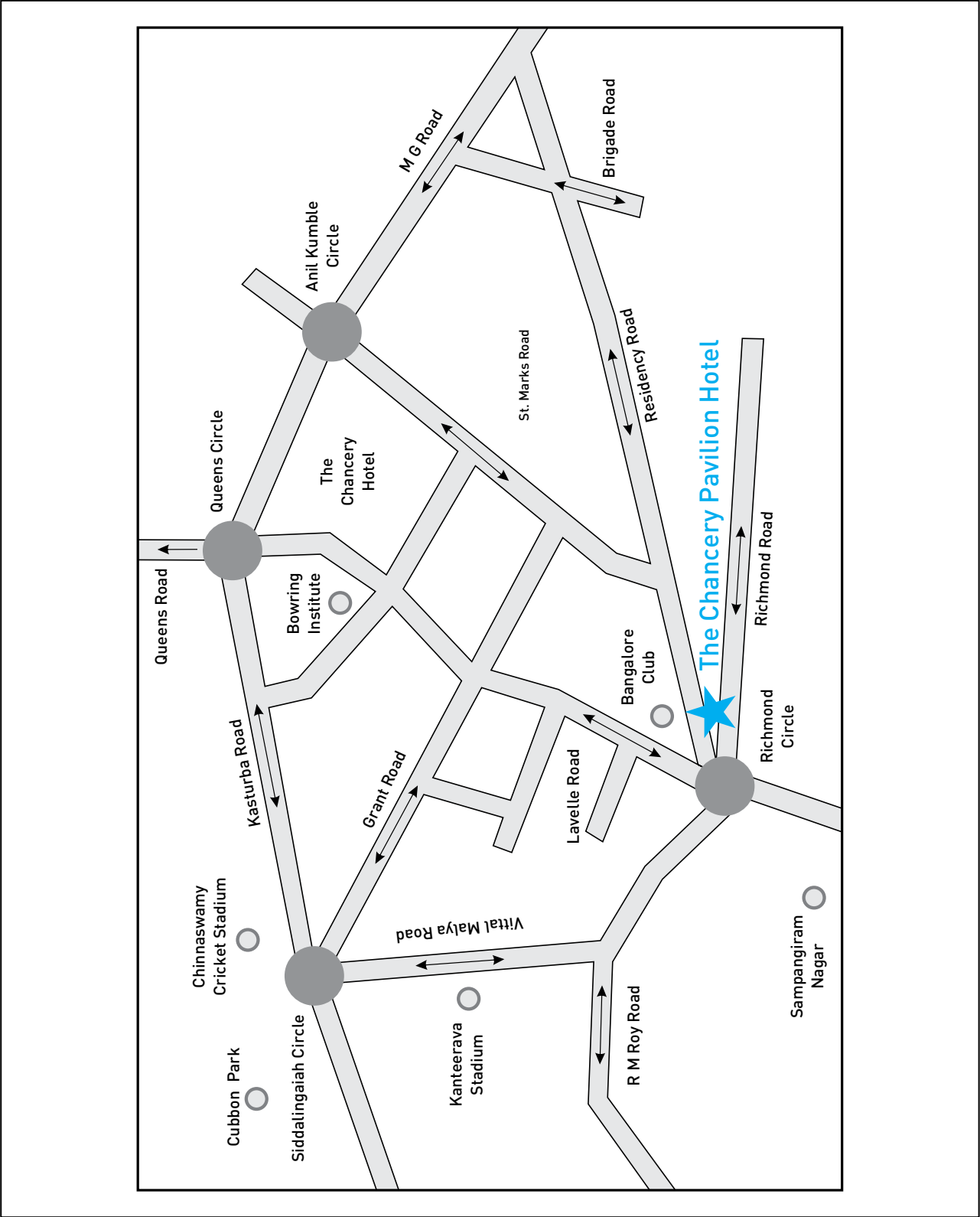
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.....
Signature of the member/proxy

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NOTES

[illegible]



Disclaimer

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



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